

the exchange

Newsletter of the College of Business at Oregon State University » Spring 2004

Student Entrepreneurs Emerge

(continued from cover)

Currently living and networking with exchange students in the West International dorms, he plans to live in Weatherford Hall when it opens.

"I'm always having fun," said Khemlani. His future plans include growing Roachwear and taking over the Kash Ross Company following his OSU graduation.

TJ Robertson, currently finishing his masters in computer science, is the creator of everylist.com, a free online local information posting service. The idea for everylist.com emerged after Robertson and another OSU student developed Beaverchat.com, a successful local online community where Corvallis and Eugene townies



TJ Robertson, computer science graduate student

can chat, buy, sell, find activity partners, and much more. The main inspiration of everylist.com is a well-known nationwide online community, Craigslist.com.

Robertson explained the start-up costs, web site development, and sales involved in constructing an online community. Even after hiring moderators, purchasing a computer, and other minor expenses, "there is a lot of money to be made." Craigslist.com charges companies sixty dollars to post a job listing and that fee alone allows the New York site (one of over sixty) to collect \$27,000 dollars a day! He then described the problems with Craigslist.com and his solutions for those issues.

As everylist.com traffic continues to increase,

Business Plan Competition Challenges MBA Students

You have nine months to create an Integrated Business Project (IBP) for a new business or new avenue for an existing business — to research it; develop goals, objectives, strategies and budget; assess its financial feasibility; work with your team; develop a distribution, sales and marketing plan, and more. You have your regular MBA classes, often a job, a fam-



Kathleen Sego, Sego Partners managing partner; Richard Carone, Pacific Horizon Ventures general partner; and James Schupp, Smith Barney vice president; offered advice and judged students during the Integrated Business Project presentations.

ily, job interviews, and a life outside school (maybe). This describes the life of a full-time OSU MBA student, many taking on the challenges of one of the few intensive, nine-month MBA programs around, as well as many part-time MBA students working while completing their degree.

"I remember a few nights leading up to the date our IBP plan was due when my laptop chimed as friends in the Midwest and on the East Coast logged off from my Instant Message contact list...and then how the laptop chimed again hours later as these people logged back on to their computers, after having enjoyed a full night's sleep while we compiled reports about gelato consumption and other assorted data," said Dave Price, MBA '03, Ruidoso News general manager.

Robertson shared his ideas about generating revenue. Because the site will serve as a free service for members, possibilities include charging a small amount for hosting pictures, banner ads, and pre-

But was it all worth it?

"The MBA IBP pulled everything together. I was able to use the knowledge of all the disciplines for the integrated business plan which really brought it together for me," said Erica Edgecomb, MBA '03, KPMG assurance associate.

The IBP, the cornerstone of the college's MBA program, put more than 60 students to the test last year. Not only did the students select their project, they developed the plan and presented it to a panel of graduate faculty to earn their MBA degree. In addition, many competed for financial awards, in the college's MBA Business Plan Competition, in front of judges from the investment community.

This year the Vida Technologies team, with a business focused on high-end "smart home" audio, video, security, heating and information technology equipment installations, took first place in the New Venture Business Plan category. Team members included Brian McKinnell, Jason McKerr, Ang Kea Tan, and Chad Wegner. Second place went to the Gelateria Brandi team of Christopher Bryant, Joshua Elliott, Brandi Palmieri, David Price, and Hui Xie.

"The home entertainment program was impressive. I thought the student who led the presentation was a genius. I wouldn't be surprised if he did this before in front of real investors," said Jim Schupp, Smith Barney senior vice president of investments.

"I was surprised with the gelato deal. Originally I did not believe that it would be a viable business opportunity. Their professional presentation and research turned me around," said Kathleen Sego, Sego Partners strategic & financial consultant.

mium listings. He may be able to collect a percent of large volume sales as a payment for playing middle man. Upon completing his graduate school, he also plans to team up with similar sites

In the Consulting Engagement Business Plan Category, the Whiteside Theater team of Matthew Baker, Beau Brown, Loren Mc Laughlin, Michael Smith, and Jordan Zardinejad won first prize. The YouthBuild team of Kimberly Herzberg, Wesley Hutchins, Meghan Kuwahara, Syed Kaiser Shah, and Steven Siegel took second.

"The business plan the MBA students put together provided us with a very clear avenue to consider as we strived to add a sustainable income source," said Tom Cope, resource development officer for Community Services Consortium and partner in the YouthBuild project. "The



MBA student Matt Baker presents his portion of his team's Integrated Business Project.

potential market niche the students discovered, analyzed, and wrote about was very insightful. The presentation was exactly what we were hoping for."

In the Fast Pitch Category where teams had three minutes to pitch their business to an investor, the French Quarter team of Wilson Mbugua, Ryland Silfanus, Lysle Smith, and Adam Van Den Avyle won the New Venture Business Plan segment. The Freddy Guys Filberts team of

(Continued on page 8)

and utilize internet and physical (direct) marketing to increase business.

"I want to see it be a great, useful tool," Robertson said. ♦

LETTER FROM THE DEAN

Change is happening at the College of Business. A new momentum is in the air and it starts with the college being aligned with the university and its strategic plan. The College of Business, over the next decade, will be central in working with other university and external entities. We will help the university move its research and knowledge to market, thereby increasing our contribution to the economic development of the state and region. We're at the very early stages of putting this proficiency in place, but are focused on making it happen.

We've been privileged to host Oregon University System Chancellor Richard Jarvis and OSU President Ed Ray on several occasions in the past few months. In a comment President Ray made to our faculty, he said, "most great schools have great professional schools...business, engineering, law, and/or medicine. Here at OSU, you have my attention and my support. We need to be excellent in our two professional schools, business and engineering."



With that support behind us, we are maximizing several new faculty in roles that will help move us in the direction of our strategic plan. With several retirements, we lose great talent, but at the same time, we gain an opportunity to focus our research, academic, and outreach efforts in an effective way. Justin Craig, featured in this issue, is one example.

As we continue to serve our students, and those from other OSU colleges, with a compelling business education, we've also initiated our new Dean's Distinguished Lecture Series. The first two speakers are featured in this issue.

In outreach, our Business and Information Technology Extension team continues to focus on K-12 education in rural communities. Our Austin Family Business Program continues to serve family businesses in Oregon and Washington. Our Business Solutions Group recently completed a Microsoft.NET training course for Oregon Department of Transportation and Department of Justice employees. To add to that, we've hired a Director of Professional Education to increase our professional education outreach activities and have slated our first professional program in May, targeted at providing business education to pharmacists.

As we look ahead in 2004, much of our energy is focused on the development of the Austin Entrepreneurship Program. Our new

entrepreneurship minor began in January, and our new entrepreneurship club is going gangbusters. Thanks to our many generous donors, we are well on our way to raising the money we need to open a renovated Weatherford Hall in September, and have begun our Phase 2 development efforts in support of entrepreneurship programming. The collaboration and support across campus, and externally, for our new Austin Entrepreneurship Program, is helping make this program a truly special one for Oregon. Without your interest and support, it would not be possible. Thank you.

One last thought. In the thousands of miles I have covered since I've been dean, I have come away with an immense appreciation for College of Business alumni and what you contribute to make us feel proud. The diversity of success that has been achieved, the wonderful people who I met and the great war stories that we talked about, were inspiring. To honor some of the best examples of this success, join us on May 12, 2004, at our BAC Alumni and Business Partner Awards dinner in Portland. You can register by calling 541-737-2219. Join us in celebrating the wonderful successes of our COB alumni and friends.

— Ilene Kleinsorge

Accounting and Finance Professionals Come Back to Campus

Professionals from all over Oregon and Washington came to OSU last Spring for Back-to-Campus Continuing Professional Education Day, an annual College of Business event. More than eighty-five professionals and twenty students and faculty enjoyed nationally recognized speakers presenting topics relating to mergers and acquisitions, ethics, the Financial Accounting Standards Board, and tax updates.

"It is a great way to accomplish multiple goals as it gives CPAs a chance to get continuing education in a relaxed environment about topics they normally don't get," said Eric Schoenstein, Accounting Advisory Council member and director of business analysis at Jensen Investment Management.

David Barnekoff, a retired 18-year veteran of Sun Microsystems, Inc., updated CPAs on merger



Katherine Schipper, member of the Financial Accounting Standards Board, addresses Back-to-Campus attendees.

and acquisition integration. Barnekoff spoke about the successes, failures, opportunities, and stages of merger and acquisition integration based

on his experiences as director of finance for Sun Microsystems.

Katherine Schipper, professor of accounting and member of the Financial Accounting Standards Board (FASB), updated attendees on recent and upcoming FASB projects and concerns.

Jim Campbell, with over 21 years of experience at Intel Corporation, spoke about the Sarbanes-Oxley Act and how it is impacting ethical culture in corporations. Campbell used his experiences in international finance, and as corporate controller here in the United States, to share why the topics of ethics are important in accounting.

Mark Jansa, tax director at Deloitte and Touche LLP, provided the audience tax updates in the areas of financial planning, retirement, insurance, and estate.

The 2004 Back-to-Campus Continuing Professional Education Day is scheduled for May 21, 2004 at the CH2MHill Alumni Center. Call 541-737-4276 to register.

COB News Bytes

COB Enrollment Increases

Total students for the College of Business increased from 2,126 in the 2002-2003 school year to approximately 2,295 for the 2003-2004 school year. Of that number, 89 are graduate students. Business majors represent 11.2 percent of OSU's total enrollment. Business continues to be the number one minor with 465 students enrolled. An additional sixteen students claimed the new entrepreneurship minor which began in January 2004.

Bexell Goes Wireless

Students entering the College of Business will now be able to access the internet anytime, anywhere within the walls of Bexell Hall. Jumpstarted by a relationship with Hewlett-Packard and the College's Business Solutions Group, the wireless system is up and running, already being used by students.

"As knowledge of the wireless implementation spreads, the potential for great things will emerge," said Tony Saxman, director of information services for the College of Business. "With students not restricted to the space of the computer lab, the COB common areas can expand. Most important, the wireless execution immerses students in the mobile world that they will encounter after they graduate."

Professors are brushing up on the latest interactive techniques leveraging wireless technology that can be used in the classroom. They are also exploring security issues that come with computers in the classes, especially during testing periods.

Hewlett-Packard donated the majority of the equipment needed for Bexell Hall to go wireless as part of a wireless testing program the college's Business Solution Group conducted for HP. Bexell Hall now has wireless access data points throughout, with its reach extending to the benches in front of Bexell.

Students interested in taking advantage of the College's wireless capabilities can simply log in by turning on a laptop and clicking on a browser. The user friendly system will automatically connect to the registration of the user's wireless card. To prohibit abuse of the system, the program allows any student to log in with ONID credentials.

The College of Business joins the College of

Engineering, the School of Education, The Valley Library, and a handful of other entities on campus to have wireless capabilities.

Out with the Old, in with the New

Returning from winter break, students noticed a change in Bexell Hall — more than 840 classroom desks and chairs, some dating back over 40 years, were gone. Replacing them were new black, flexible seats transforming classrooms.

“Last spring I talked with students about the learning environment here,” said Dean Ilene Kleinsorge. “They expressed one concern, uncomfortable seating.”



Student workers remove old chairs to make room for new ones in Bexell Hall classrooms.

Following comments from alumni that Bexell's classroom furniture hadn't changed much since the 1970s, Kleinsorge used dean discretionary funds to make the change and enhance the professional image of the college. Under the direction of Malcolm LeMay, students sampled nine models and the top two styles from the student surveys were then selected for the building.

“You wouldn't think that selecting new desks and chairs is a big deal, but we soon found there were several considerations including size, color, style, flexibility, durability, writing space, comfort, warranty, and more,” said LeMay.

During the three-week holiday break, College of Business and OSU student workers replaced

all the desks and chairs. Most of the desks were given to OSU Surplus to be sold and some were purchased by a local church to be sent to a school in the Philippines.

“It's so nice to be comfortable during class. It shows that the dean cares about all the aspects of our learning experience,” commented Caitlin Hahn, COB senior in the marketing option.

COB Wins Microsoft Exchange Joint Developers Program Awards

The College of Business stood out among one hundred participants in the 2003 Exchange Joint Developers Program (JDP), placing in two of the seven award categories. The Microsoft development team awarded OSU the KC Lemson Award for program participation and 100 percent attendance, as well as the Harry Shida Award for Stamina and Endurance in the long term for “being around long before Touchdown and still doing great.”

Paul Bowden, Microsoft program manager for Exchange Server Development, announced the awards during an Exchange JDP conference call in June.

New Sales Class Slated for Fall

It has been more than a decade since the College of Business offered a class focusing on sales, but that is about to change. Pending the academic approval process, the college will offer a 400-level sales class, as part of the marketing option, starting in September.

“Most of the firms that hire our students want them to have experience in sales,” said Jim McAlexander, professor and option chair in marketing. “Now we'll be able to provide training that meets the needs of those who aspire to professional sales/marketing careers.”

To do so, the college has hired Dr. Keven Malkewitz as a faculty member in the marketing group. Currently with North Carolina State and previously with Adidas for 15 years, Malkewitz has a variety of experiences to draw from in providing education in selling, including working with national accounts, specialty accounts, and direct mail



Nike and PacifiCorp Host Students

College of Business MIS students had an opportunity to speak with IT professionals and see work environments first hand during a visit to both Nike and PacifiCorp in Portland. OSU graduate Rick Beatnell hosted students at Nike with a series of speakers sharing information about internships and experiences working at Nike. Students also participated in subgroups focused on the new product creation process, supply chain, the internet, and more. At PacifiCorp, students toured the data center and met with IT professionals in corporate applications, advanced technology, SAP, web development, and data warehousing areas. A key message received by students from PacifiCorp CIO and Senior Vice President Rich Walji was, “When you deploy IT, you need to understand the business value you will get from it.”



accounts, both in the U.S. and internationally. His research focus is on consumer behavior and he is currently starting a project with Eurosport, the world's largest soccer retailer, on how product images used in the internet and in catalogs influence sales and consumer behavior. He will begin work at the College of Business in the summer.

“Students coming out of this class will have the knowledge of selling techniques, customer relationship management, sales force management and more,” said McAlexander.

Beta Alpha Psi Wins in Regional Competition

Students from the Oregon State Chapter of Beta Alpha Psi represented the College of Business well in the 2003 Northwest Regional Conference's Ethics Case Competition by taking first place in the debate portion and second place in the written segment.

A team of six members including Alia Adams, Ramona Burkhalter, Karen Caulfield, Cory Crafton, Katie Leback, and David Peterson reached beyond the classroom, and the state, to participate against 12 other universities at the competition held at Seattle University last April. Peterson, president of the club, said, “The competition teaches students more of the issues faced by accountants today.”

College of Business Instructor and Beta Alpha Psi's Adviser Tom Veit explains, “In today's world, ethics is exceedingly important. It is imperative that business students learn and understand ethics. To go and participate in a competition dealing with this issue is one thing, but to win is exceptional. This represents OSU and COB very well.”

Beta Alpha Psi is a national scholastic and professional accounting fraternity. At the College of Business, Beta Alpha Psi sponsors guest speakers and accounting-related events, manages the accounting library, and is a resource for accounting tutoring and materials for students.

Pharmacy Professional Business Education Debuts

Pharmacy professionals will have a chance to expand their business education with the College of Business and College of Pharmacy's first professional education conference focusing on “The Business of Pharmacy” on May 14 and 15, 2004 at OSU. Continuing education credits will be available.

For more information, contact John Hogan, College of Business director of professional education, at 541-737-6032 or Kay Cooke, director of external relations, College of Pharmacy, at 541-737-5800.

Give us your feedback on *The Exchange* and we'll send you an OSU College of Business window decal.

Please go to www.bus.oregonstate.edu/news/exchangesurvey.htm for a quick survey and let us know what you think of *The Exchange*. We appreciate your input.



A little more than a year ago Ken and Joanne Austin pledged the \$4 million dollars that enabled the College of Business to create the Austin Entrepreneurship Program and begin renovating Weatherford Hall. In that time, the College of Business has appointed a director, seen approval of the entrepreneurship minor, created the entrepreneurship club, raised money for the renovation of Weatherford, and hired a live-in entrepreneurship professor. The stories below will give you the most recent update on the Austin Entrepreneurship Program in action.

Entrepreneurship Professor Excited to Begin

Along with the snow that brought in the New Year, arrived Justin Craig and his wife Kimbo. And while it wasn't the first time for



Justin Craig, COB assistant professor of management

them to visit the United States, it was the first time to see the winter wonderland of Corvallis.

"We arrived two days after Christmas and were greeted by our first white Christmas," said Craig.

Warming up to life on campus, the Craigs are currently settled in on-campus housing awaiting the completion of the Weatherford Hall renovation. In September, they will move into the faculty suite and Justin Craig will lead the College's informal entrepreneurship programming, teach entrepreneurship classes, and begin setting the tone for the new entrepreneurship residential college at Weatherford Hall.

Fresh from Bond University on the Gold Coast, Australia, Justin Craig will play a vital role in the College of Business Austin Entrepreneurship Program. His first class, Introduction to Entrepreneurship, is the entry-level class required

for the entrepreneurship minor program. Because of demand, a second section was opened for Winter term.

"We are very fortunate to have Justin on our team," said Austin Entrepreneurship Program director Mark Green. "His background owning his own businesses, as well as understanding the psychological side of entrepreneurship, will help bring students up close and personal to entrepreneurship."

With undergraduate degrees in business and psychology, a master of counseling, and a doctor of philosophy under his belt, Craig has had family business and entrepreneurial research published in *The Frontiers of Entrepreneurship*, the *Journal of Small Business and Enterprise Development* and more. In his PhD dissertation, he examined the behavior of entrepreneurial individuals and how behavior changes occurred over the lifecycle of a business.

Craig has won awards for excellence in teaching three times in the past four years at Bond University and has taught entrepreneurship and innovation at both the undergraduate and graduate level. He has international MBA experience and was a member of a team that won the World's Entrepreneurial Challenge at the University of Texas International Moot Corp Competition in 2000.

Craig worked in senior management positions for two classic entrepreneurs in the hospitality industry. After about ten years, he and his brother

ventured out on their own buying several old hotels, refurbishing them, and filling them with occupants.

"Based on that experience, I'm comfortable living where I work and I'm looking forward to living in Weatherford," said Craig. "I believe in the vision of the Austin Entrepreneurship Program and am excited to build onto the tradition of Weatherford with contemporary entrepreneurial business practices."

According to Craig, he's looking forward to being available for elevator pitch sessions, idea brainstorming, dinners hosted in the Weatherford boardroom, entrepreneurship club events, professional visitations and other informal entrepreneurship activities.

"We have a culture to build at Weatherford," said Craig. "The College of Business is focused on educating students to be work ready and now, investor ready. I can't wait to get started."

Student Demand High for Introduction to Entrepreneurship Class

With registrations brisk and the class in demand, the College opened a second section for its new Introduction to Entrepreneurship class that started in January. Taught by Assistant Professor Justin Craig, the 200-level course serves as the introductory course for students pursuing an entrepreneurship minor and for others, an overview

course on entrepreneurship. The four-credit class covers topics including entrepreneurial capabilities, creativity, business plan creation, opportunity assessment and feasibility analysis, business implementation, new product introduction, and seeking funds.

During the first month, the College of Business polled students to get their impressions of this new class. Here are some excerpts.

"I asked my dad's advice about three courses and he voted for the entrepreneurship class commenting that I'd be able to apply the course content to my life regardless of the career I pursue. I am excited about this course and enjoy the challenge in thinking in a whole new way," said Hillary Mortensen, a senior in Human Development and Family Sciences.

"I'm glad to see this come to fruition. I would have loved to live in Weatherford and wish I had just one more year. This program is creative, not structured, and will allow for success. I've taken many upper division classes and this one really puts them together," said Ryan Hildebrand, a COB senior with options in accounting and international business.



Entrepreneurship professor Justin Craig talks with students interested in the Austin Entrepreneurship Program.

"I enjoy this entrepreneurship class because it is getting me to think about everyday life in a totally different way. I now see things as an opportunity rather than just accepting them for what they are," said Alicia Donaldson, a sophomore double majoring in Interior Design and Housing Studies.

"I have been very impressed with the content of the class and the delivery of the information. The class has been very helpful in better understanding what entrepreneurship entails. I would definitely recommend this class to anyone," said Trevor Sarazin, a COB junior studying finance.

"The class is full of energy and creative thinking. Everyone feels comfortable sharing ideas and

Save the Date!

Weatherford Hall GRAND OPENING CELEBRATION October 23, 2004

comments with each other. We are learning the language of entrepreneurship in a wonderfully open-minded environment," said Lexi Reece, a business major.

Fundraising Continues to Roll

Development efforts led by OSU Foundation Development Director Lori Sweeney for the College of Business, and Dean Ilene Kleinsorge, are in full swing.

"We are very optimistic that we'll reach our Phase One goal for the funding of the Weatherford renovation by June," said Sweeney. "Phase Two efforts for developing a world-class entrepreneurship program are already in action with support from several donors," she added.

"On behalf of the College of Business, I thank the many donors who have contributed and continue to express interest in supporting this exciting program," said Kleinsorge.

To date, more than 75 donors have made significant contributions of \$5,000 or more to the Weatherford renovation including, most recently, David Evans & Associates, OSUAA, Trysting Tree Golf Course, State Farm Companies Foundation, Jim and Chris Williams, Duane McDougall, John and Janet Beardsley, Bill and Joyce Furman, and many more. Another 35 have committed to buy bricks. Several alumni and friends have offered to interact with students in support of the program.



OSU alumni tour Weatherford Hall during the Golden Jubilee celebration.

Weatherford Hall Renovation on Schedule

With interior and exterior demolition complete, Weatherford is beginning to take shape inside and out for its opening in September. New windows, walls, and flooring are in progress, as well as exterior cleaning and brick repair. The roof is complete and the fire sprinkler system and alarm are being installed and tested. Other installations include the elevator and the case room projection screens. Interior painting started in February, with flooring scheduled for late March, and doors and trim work scheduled for May/June.

"We're tight, but on schedule for a Fall 2004 opening," said Tom Scheuermann, director of University Housing and Dining Services and Housing's liaison with the building contractor. "We haven't had too many big surprises and we have a great project team, so things are looking good."



The Weatherford Hall dining center has been demolished to make room for a grass amphitheater.

First Students Enrolled in New Entrepreneurship Minor

More than 16 students from other non-business disciplines, mostly engineering, have signed up for the new College of Business Entrepreneurship Minor.

"We anticipate the number of entrepreneurship minor students to ramp upward each quarter," said Jim Coakley, associate dean of academic and student services. "We're off to a good start and if interest continues as it has with the first entrepreneurship class, we're going to have no problem meeting our projections."

Designed to introduce students to the world of entrepreneurial business, the Entrepreneurship Minor consists of existing classes offered by the College of Business and adds three unique entrepreneurship courses. Courses assist students in recognizing business opportunities, equip them with skills to secure funding, and provide insight on how to manage a new venture. Fundamental

business classes are combined with those designed to specifically address the challenges of launching a new business.

Courses include Introduction to Entrepreneurship, Business Law, Fundamentals of Accounting, and Venture Finance, which explores the financial issues facing new businesses and methods for obtaining resources. Also offered are Venture Management, which investigates start-up planning and productivity development, and New Venture Lab where students are called on to develop a fully functioning business plan.

Entrepreneurship Club Kick-Off a Success

Originating a student club at a large university such as Oregon State is simple; the challenge comes in catching the interest of more than a few friends. This was no concern for the new Entrepreneurship Club; the first meeting called by club President Tom Loika captured the curiosity of more than sixty students forcing the new organization to request a larger room. Bryan Sims, a 20-year-old successful student entrepreneur and business owner, kicked off the first meeting, as he proved to aspiring entrepreneurs that there is no age limit and no degree requirement to begin a business.

Sims is the CEO of Brass | MEDIA, a company that constructs a money making magazine, the brass | CU Edition, geared towards young adults, which is sold and distributed through credit unions. Brass | MEDIA personalizes the maga-



More than 60 students attended the first Entrepreneurship Club meeting.

zine to match the logo and advertisements to the specific credit union. Because the credit unions distribute the magazine, Brass | MEDIA has the potential of reaching hundreds of thousands of young adults across the country. To date, Brass | MEDIA has raised \$125,000 from angel investors throughout Oregon to start-up the company and is on target for \$150,000 in sales for Q1 of 2004.

Sims' advice to the club included:

- ◆ Be passionate and pursue something you truly enjoy;
- ◆ Differentiate yourself;
- ◆ Listen, but don't listen. Accept feedback, but don't let it destroy you. There is always more than one way;
- ◆ Hire people smarter than yourself. You can't master every aspect of every discipline;
- ◆ Be determined and courageous. "Entrepreneurs are the people who jump out of the plane, and find out if the parachute will open as they are falling," said Sims;
- ◆ Network, anytime, anywhere. You never know who you are talking to or making an impression on.


HELP US PRESERVE AN OSU LANDMARK — BRICK BY BRICK —

Join together with OSU alumni and friends in restoring Weatherford Hall — one brick at a time — by purchasing a 4" x 8" paver at \$900. Each brick will be inscribed with your name, or your chosen message, and placed in the courtyard patio with those of hundreds of other Severns who have already done the same.

Reserve your spot on campus. Preserve Weatherford for the future. And make a gift that will last five generations to come. Order yours today.

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WAR ON MAINSTREET: Seminar Series Examines Terrorism's Impact on Business and Society

With a handful of OSU alums injured or casualties in the war on terrorism, the 2003 Spring Seminar "War on Main Street: The Impact of Terrorism on Business and Society" was a topic close to home for students and members of the community. The seven-week lecture series, designed to provide insight on contemporary concerns, focused on the impact of 9-11 and terrorism on the business community.

A panel of "Voices from the Street" began the series and featured Jill Dinse discussing, "War and the single parent," Marcy Eastham discussing corporate business issues, Deborah Healey sharing "International Student Implications," and Awad Elgarguri explaining "Perspectives from the Muslim Community."

With 583,000 international students in the U.S., they bring \$12 billion dollars to our economy. It is the fifth largest service sector export in the United States.

Deborah Healey

Dinse, attorney and military spouse, addressed issues many national guard spouses are again experiencing as their partners serve in Iraq. Dinse was left to deal with her own work and job protection issues in caring for their children, her husband's income that is half his normal pay, and

children with nightmares.

Eastham, Hewlett-Packard's Oregon public affairs manager, explained that security issues ranged from local employee desire for more security, to travel issues. While Corvallis is the key location for ink jet research, it was a challenge for teams to travel back and forth to other countries.

"We had to know the nationality of every person who came to visit, whether for research or sales," said Eastham. "Because the government is one of our customers, if the country of nationality was on the government's flagged list, they could not come onto the site."

Healey, OSU English Language Institute director, shared the economic impact international students have to the U.S. economy. "With 583,000 international students in the U.S., they bring \$12 billion dollars to our economy. It is the fifth largest service sector export in the United States," she said. Healey quoted a five percent decrease in international students in 2001-2002, with a 20-30 percent drop in students who study English through intensive English programs nationally.

"International students take back home who we are," Healey said. "When we lose this, we lose a great deal. Dialogue is a real benefit to us all."

Awad Elgarguri, graduate student and one of 38 nationalities within the mosque community, discussed changes impacting Muslims since 9-11. While he is a believer of the freedoms the U.S. promises, only in the past year has he felt differently referencing the fifth and 14th amendments about equal protection and due process. "I don't

go out alone at night any more. I'm more cautious. Other Muslims looking like me get screams or weird looks while parking at an airport or getting on a plane," he said.

"Wars should not be the most important tool for economic policy," Elgarguri quoted the *Economist*. "I believe in the people of the United States. Knowledge is power," he said.

"The panel unveiled the societal, business, and ethical dimensions of the war on terrorism and set the stage for the rest of the lectures," said Tom Dowling, College of Business instructor and coordinator of the series. "The depth of our speakers in the series really brought a deeper understanding of how terrorism is touching us, from our privacy, to our jobs, to the very core of what makes this nation tick...our freedoms and our economy."

When you ask, how do you pay for the war on terrorism, in the context of our \$1.3 trillion state and local spending, the amount we spend is relatively small.

John Mitchell

John W. Mitchell, U.S. Bancorp Western Region economist, discussed the impact of terrorism on the consumer, public, business, and international sectors. He noted ongoing dynamics in

the labor market including the dot com bust, 9-11, SARS, airline shortfalls, and said that three

In Afghanistan, equipment and satellites outside caves were uncovered. They were much more sophisticated than we thought.

Michael Anderson

months after 9-11, 139,000 jobs had disappeared. From the public sector standpoint, however, resources shifted to defense and security historically were relatively small.

"In 1940, defense spending as a share of GDP was 1.7 percent. In 1944, WWII timeframe, it was 37.9 percent. In 1968, Vietnam timeframe, it was 9.4 percent. In 1980, it was 4.9 percent. In 2001 it was 3 percent," Mitchell said. "When you ask, how do you pay for the war on terrorism, in the context of our \$1.3 trillion state and local spending, the amount we spend is relatively small."

Stephen Engelberg, a Pulitzer Prize-winning reporter and currently a member of *The Oregonian* staff, explained the effects of 9-11 from the view of the press. He revealed that "the news monster is a Cyclops," meaning competition is intense. This does not allow reporters to completely take in or form opinions about the news they write. Their only concern is to get the correct informa-

(Continued on page 7)



Tom Dowling



Nancy King



John Mitchell



John Schmelzer



Awad Elgarguri



Jill Dinse



Cetin Koc



Marcy Eastham



Deborah Healey



Stephen Engelberg

Mutual Fund Q&A

With Jon Moulton, assistant professor of finance



At a time when mutual funds are under investigation for availing large traders preferential treatment at the expense of long-term investors, brokers are under investigation for excessive and undisclosed compensation, fund managers are resigning in disgrace, and fines are being levied, we asked assistant finance professor Jon Moulton to share some insights on the mutual fund industry.

Why all the chaos now in the mutual fund industry?

There are currently more than 6,000 mutual funds, representing in excess of \$7 trillion in investments. People are saving for retirements, their children's education, or other family events. With fewer employers guaranteeing worker's retirement income and more investors shouldering the burden themselves, the Securities and Exchange Commission (SEC) is working to protect the consumer by enforcing rules and regulations in the mutual fund industry.

Can you explain the issues around preferential treatment for large investors?

Some large investors had arrangements with mutual funds to "late trade" after the close of the stock markets. If you have invested in a mutual fund, you probably have experienced the 4 p.m. Eastern Time cutoff of trading in your investment. This allows the mutual fund to value its holdings at a common time across all the securities they hold, and give a common price to all investors. If investors are given the ability to execute trades against the mutual fund after the common valuation time, they may find discrepancies in the value stated that can be of advantage. Certain mutual funds have been targeted for enabling preferred customers to participate in this practice, and akin to betting on a sporting event after the outcome is known, this practice is deemed illegal and detrimental to integrity in the public securities marketplace.

An example of late trading is Bank of America's Nations Funds that allowed a hedge-fund operator to late-trade in some of the funds. Janus, Putnam, MFS, and Fred Alger/Alliance, among others, have also been implicated to some degree in the preferential treatment of some large customers.

Late trading will not continue to occur as the SEC is installing a hard requirement for consistent last-trade times.

Market-timing is not illegal, but is certainly discouraged by mutual funds and has become a subject of the investigations. Why?

Mutual funds have consistently pointed investors to holding fund shares for the *long-term* and charge extra trading fees if the fund is held for a short time. However, "market timing" gives investors ready access to enter and exit mutual funds within a fund family across short periods of time. Some fund families have set up a group of funds to enable the quick switching of investments from one fund to the next, charging significantly higher fees in these "timing" funds.

An example of market timing is Strong Funds, which recently had Richard Strong, CEO resign from its Board of Directors for market timing his own funds generating a personal gain in excess of \$600,000. Although the funds ordinarily had excess fees in place to dissuade these trades, Richard Strong and a large investor were able to circumvent these fees. Investors in Oregon may be most concerned with this event, as Strong Funds was one of the key investment vehicles for the State's 529 College Savings Plan. The endpoint of this local concern has not been reached, as one of the other 529-available sponsors, MFS, has also been implicated in the investigations.

Market-timing will continue to occur, so you need to ask the Fund or your broker about your protection from these activities. Fees and prohibitions will be your best protection against this abuse that has been estimated at costing the little investor up to 1 percent of total return each year.

How have brokers been impacted by the current mutual fund investigation?

Brokers who sell funds to the public often have a conflict of interest in selling their company-backed funds. In addition, allegations of pocketing fee savings intended for customers are getting them into trouble. Morgan Stanley has already paid in excess of \$50 million in fines over these issues and the investigations are now just touching some of the other well-known brokers.

Other issues surrounding potential broker abuses include sales loads by the fund beyond the broker's commissions, and excess 12b-1 marketing fees beyond an already high investment management fee within the selected fund. All of these issues should be topics of conversation with your broker.

Is the mutual fund industry any less stable than before the investigations?

The mutual fund industry, and its distribution network through brokers, is currently in a state of significant disrepair. This does not mean it won't be fixed by regulators, and investors voting by selling their fund shares. The mutual fund industry will continue to grow. Information gained by questioning and understanding will be the protection that will help investors reach their goals. ♦

War on Mainstreet

(continued from page 6)

tion to the public before it is read in another newspaper. He also said, access works. "Give the whole story and the truth will be heard."

Cetin Koc, an OSU professor in the Electrical and Computer Engineering Department, and Michael Anderson, New Technologies Inc. president, addressed the technical implications of terrorism on business and society. Koc described the Information Systems Infrastructure, while Anderson addressed computer forensics and how an "autopsy" on a computer can provide valuable legal evidence in investigations involving identity theft, financial crime, pornography, and terrorism.

"When you see a computer, you see a tool. When I see a computer, I see weeks, months, years of what you've been doing," said Anderson. "You can 'erase' space, files, or documents from your computer in a number of ways, but the data is still there. Computers were never designed to be secure," he said.

"In Afghanistan, equipment and satellites outside caves were uncovered," said Anderson, whose company works with several government agencies dealing with security. "They were much more sophisticated than we thought."

Nancy King, an assistant professor in the College of Business discussed the recent and future changes in the USA Patriot Act and its impact on our personal privacy. King stated, "The law with the purpose of 'Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism' was created more out of fear than reflection." Despite this, King said, our nation's increase in security will result in decrease in privacy, which is "one of our essential rights as US citizens." She noted a new technology airlines will be using that will classify passengers before they arrive with a security risk coding.

The series final speaker, John Schmelzer, the officer of field programs at the US Equal Employment Opportunity Commission, explained how terrorism has affected the EEOC and the individual. He stated that, "Depending on the size and location of the job, things such as background checks and other security issues will continue to increase. The key issue is that employers need to make sure every employee is getting the same background check and treatment in general."

The 2004 College of Business Spring seminar series will focus on the economic, social and environmental dilemmas of building sustainable businesses. ♦

Get an understanding of fundamental business concepts in a two-week

Applied Business Certificate Program

Coming June 14-25, 2004, this non-degree credit, transcript-visible program for nonbusiness students and graduates will teach business basics while enhancing job seeking skills and adding value to your degree.

The Applied Business Certificate (ABC) program features accounting, information systems, team building, leadership, marketing, management, finance, and global economy topics. Business simulations, field study tours to local businesses, and career preparation discussions complete out the curriculum.

For more information, contact John Hogan, COB director of professional development, at 541-737-4276.

Legislative Support for Higher Education Continues to Dwindle

Q&A with Jock Mills, OSU's director of government relations

With the governor recently revamping the Board of Higher Education in Oregon to help boost college funding, quality, and access, we posed some questions to Jock Mills regarding the last legislative session.



How did OSU's agenda fare last session at the Capitol?

We had four priorities: renew commitment to fund higher education, improve access and support for students, provide for flexible and efficient operations at the individual campuses, and continue progress on our 2001 accomplishments. Due to the overall budget challenges facing the state, we fared poorly in all but the last priority. The legislature continued to fund significant OSU ventures, including Veterinary Medicine, the Cascades Branch Campus, top tier engineering, and OSU's statewide public service programs – Extension, the Agricultural Research Stations, and the Forest Research Laboratory.

Can you put in perspective how support for a college education has fared in Oregon?

Through legislative appropriations, the public used to provide 50 percent of the cost of educating Oregon college students, with the students picking up the other 50 percent of the costs through tuition and fees. As a result of funding reductions, students now pay over 60 percent of the bill, with the state paying less than 40 percent. Shifting the load to students has created insurmountable barriers for many who, without

a college education, will never be able to participate in Oregon's economy or reach the middle class.

Higher education has suffered despite the last decade of growth in the state's general fund budget. Just a little over ten years ago, Oregonians invested just over 10 percent of the General Fund budget on higher education. Now we are at 6 percent of the budget, and decreasing.

The trend is due to the shift to state funding for K-12 with the passage of property tax limitations (Measure 5), and mandated expenditures on prisons (Measure 11). These shifts have made less available for higher education.

As enrollments continue to increase, has any thought been put into building maintenance and upgrades?

There has been lots of thought, but very little action. Each biennium we seek increased capital investments in our significant backlog of maintenance needs.

Two years ago, OSU documented a \$158 million backlog in deferred maintenance – the largest of all seven campuses. The backlog is not due to neglect – OSU has Oregon's largest campus, and some of the oldest buildings. Despite the \$500 million needed by the Oregon University System, the Governor and Legislators allocated only \$11 million in General Funds to be shared by all seven campuses to address their deferred maintenance needs.

Not only do we face a large backlog, but Oregon also discourages new investments. Unique among all 50 states, the State Constitution currently requires universities to pay 50 percent of our capital construction costs up front, typically using private contributions to the OSU Foundation.

This is a huge hurdle, especially in view that most private capital transactions, such as the purchase of a home, can be accomplished with less than 20 percent down.

Our effort to reduce the up-front investment

to 25 percent of the total cost passed the Senate, and was unanimously approved by the House Revenue Committee, but failed in the Ways and Means Committee in the closing days of the session. Over the last ten years, the legislature has essentially abandoned investing any up front general funds for capital construction.

Were there any successes?

Absolutely. The legislature authorized \$20 million in new capital funding (to be matched by private funds) for the Multiscale Materials and Devices Signature Research Center – a collaborative effort that includes OSU, the University of Oregon, and Portland State University.

Down the road we expect continued efforts whereby the campuses will pool our greatest strengths to help fuel Oregon's economy. With our statewide reach, OSU will be pivotal in these efforts.

What are your thoughts on the future?

We have many reasons to be optimistic. Governor Kulongoski has embarked on a new initiative to bring attention to Oregon's system of Higher Education. He has appointed former Governor Neil Goldschmidt to chair a revived state board of higher education.

President Edward Ray has developed a positive and productive working relationship with the Governor and we are enthusiastic about the possibilities ahead of us. Nevertheless, we also face a number of significant challenges. In particular, unless the state invests new revenues in higher education, we will continue to create insurmountable barriers for students.

Many qualified and deserving Oregonians will not be able to afford a college education. Many who do scrape together the resources to attend, will graduate with a huge debt load. Despite these worries, I am confident that all of the programs at OSU will continue to make significant contributions to the state's economy. OSU is one of the state's greatest economic assets. ♦

Kleinsorge Appointed to Governor's Small Business Council

Dean Ilene Kleinsorge has been appointed by Governor Ted Kulongoski to the Governor's Small Business Council for a three-year term. The Council is chartered to work with the Governor, the Oregon Economic and Community Development Department, and other state agencies to develop recommendations on best practices for promoting the growth and economic vitality of Oregon's small business sector. The Council is made up of eleven small business owners and managers from diverse economic sectors from around the state.

According to meeting notes from the October 8, 2003 meeting, the Governor is interested in the Council's advice on all small business issues and agendas that come forward to the legislature. Pat Egan, from the Governor's Office, also suggested that the council might want to take on a stronger role in increasing small business procurement of state of Oregon contracts. Regulatory issues and challenges are also of interest and Egan recommended coordinating with other small business groups on regulatory reform. ♦

Business Plan Competition

(continued from page 1)

Lauri Logosz, Gabriella Rudy, Pasuda Siriwohard, and Matthey Skelton won in the Business Plan Consulting category.

"I was really impressed. It made me feel good about the future. They were well prepared and presented well," said Schupp.

"What these kids need to do now is find seasoned leadership to align with for mentoring. This will not only help them to attract capital, but will also assist in avoiding many of the pitfalls new entrepreneurs typically make. Mortality rate on good ideas is very high. If you have a big name to align with you, it will open doors," said Segó.

"I saw some real mature folks as part of the IBP competition," said Segó. "I've worked for companies that don't present as well as some of the IBP teams that presented during the competition." ♦



Chancellor Richard Jarvis, BAC member Richard Carone, Dean Ilene Kleinsorge and AEP Director Mark Green tour Weatherford Hall. The tour was part of Jarvis' visit and College of Business update in 2003.

Q&A with OUS Chancellor Richard Jarvis

What is your role regarding business schools in Oregon?

Business schools, like that at OSU, are critically important through the students they graduate, the research of their faculty, and the service they provide to our economy and society. The more we at the Oregon University System (OUS) level can understand what you at the College are trying to do and the more you at the College can be aware of System and State level issues, the better we both can serve Oregon and Oregonians.

What brought you to the College of Business?

By virtue of the fact that I spend a lot of my time with business, labor, and legislative leaders in the various communities across Oregon, I tend to get questions about professional education and I like to pursue the answers on campus. At present, there is focus in economic development conversations in Oregon that is encouraging us to build new and strengthen existing bridges between business and technological education programs. That was one of the prompts that led me to the COB at OSU. I'm interested in the extent to which we are developing specializations in our academic programs and how we can balance those tendencies with the needs and opportunities for interdisciplinary and multi-disciplinary work. In visits to the campuses I have focused on some of the areas with significant potential for assisting Oregon's developing and changing knowledge economy. Business is certainly one of these areas.

What were your impressions about the College of Business?

My colleagues and I were extremely impressed. The enthusiasm and creativity we encountered throughout our day's visit were compelling. The focus on students and the quality of their educational experience was most evident. The OSU COB is a vital college, with an energetic and strategic leadership team that has given a great deal of deliberate attention to developing programs and services distinctive to the land-grant university in the state.

COB has a clear vision and mission that is results oriented. The college is healthy; both credit hour production and gifts are up. COB has focused its academic programs and not proliferated beyond what it can provide at a high level of quality. Faculty members are researching and publishing the results of their work, increasing their visibility in the international community of scholars. Data about students suggests they are well qualified. We all enjoyed the tour of Weatherford Hall, under construction. It is very innovative to develop a residential college focused on entrepreneurship. I also observed how the COB has an established reputation for testing new technology and involving students in doing the actual testing. This is an excellent example of a partnership with industry.

Cebula Takes Cancer in Stride

In Orange County, California, the vast suburban sprawl south of Los Angeles, an individual's status can often be inferred from their vehicles. Many consider the keys to the right car to be an important key to business success.

So when Tanja Cebula – OSU Class of '84 – parked her Lexus 430 SE convertible and set off to walk 60 miles in three days, it was a significant personal statement. Cebula didn't leave her Lexus to reduce smog or save the planet from global warming. She walked away from her wheels to help other women survive breast cancer – as she had.

In October 2001, at age 40, Cebula became one of the one in eight women who will be stricken by breast cancer in their lifetimes.

"I thought breast cancer was the last thing I had to worry about," she recalled. "I had no family history of it." She was shocked to learn that 90 percent of those afflicted have no family history of the disease.

Life vs. Livelihood

As a mother of three and a top employee in a fast rising, professional services company, Cebula scarcely had time to fight off a head cold, let alone battle one of the most aggressive forms of breast cancer. Confirmation of the diagnosis came as her family was celebrating the sixth birthday of her twin boys, Jake and Luke. Her daughter, Maria, was then only seven.

At work, Cebula was a managing director for the western region of Resources Connection, Inc., a professional services firm formed in 1996 by a group of Deloitte & Touche employees. Resources Connection went public in 2000 and was recognized by Forbes magazine in 2002 and 2003 as one of the 200 Best Small Companies in America.

"Resources Connection fills a niche," Cebula explained. "We give companies access to professional talent that would typically be found in a Big Four accounting firm, but we charge half to a third of what a big consulting firm would charge."

By offering temporary expertise for less, Resources Connection has become a \$250 million company since its inception.

Breast cancer rendered all that breathtaking business success suddenly unimportant to Cebula. The diagnosis pitted her life against her livelihood. For the next four months, she put her career on



Tanja Cebula celebrates with daughter, Maria, after a breast cancer run.

hold while she fought for her life, enduring a double mastectomy, debilitating chemotherapy and four reconstructive surgeries.

A promise for the future

Through it all, her colleagues and company stood by her. Most touching was an immediate invitation from three eastern regional managers to join them *the next year* in the Avon Breast Cancer three-day Walk from Santa Barbara to Ventura, Cal. Their invitation came just after the diagnosis and was a symbolic vote of confidence that Cebula could and would beat the cancer.

True to their promise, a year later Cebula's colleagues flew west to walk beside her for 60 miles, raising \$12,000 for research and access to treatment.

"I felt such a range of emotions on the walk," Cebula recalled. "It was such a high to be out there in this beautiful part of the country, walking side-by-side with friends, feeling blessed to be alive. Then I would see someone walking alone in remembrance of a loved one they lost, and I would start to cry."

To mark the second anniversary of her diagnosis, Cebula decided not to walk this year. Instead, she ran. With her daughter, Maria, by her side, she ran three miles in the *Susan G. Komen Race for the Cure*. The mother-daughter team made the front page of the state's third largest newspaper, the Orange County Register.

After the race, Cebula came to a surprising realization. "One of the blessings of cancer is that it gives you such a zest for life that it almost makes the cancer worth it." ♦

ALUMNI SUCCESS STORIES

James Vance: From Small Change to Big Bucks

When James Vance and his brother, Rolin, founded an armored delivery service in 1984, they didn't fit the popular notion of start-up entrepreneurs.



James Vance, '69, president, Oregon Armored Service

Vance had a business degree from OSU – Class of '69 – but he spent the first nine years after college as a helicopter pilot in the Coast Guard. Rolin was a self-employed contractor who was fond of saying that he had “never had a job.” The good natured, hard-working brothers had learned most of their business basics by working in their father's feed store.

Their start-up venture was equally unassuming. There was no thick, slick business plan, no fast-talking, free-wheeling venture capitalists, no

Initial Product Offering for would-be investors.

Quite the contrary, the brothers tapped their own savings to muster \$15,000 for a pair of aging armored trucks that they found in Nebraska – one truck for deliveries, the other for spare parts. Vance's son, Jeff, signed on as one of the first employees.

Their first job was quite literally “small change.” They won a contract from the City of Portland to collect coins from parking meters.

But they were entrepreneurs nonetheless.

“I have been an entrepreneur almost all of my life,” Vance said, recalling his upbringing in the feed store and his boyhood paper route. He credits the entrepreneurial spirit for the success of his company, which took the name Oregon Armored Service, Inc., in 1987.

More than a Modest Success

Vance, now 55 and president of the company, doesn't like to brag about his success. Publicity in the money handling business could bring the wrong kind of attention. But he will share that from those modest beginnings, Oregon Armored has captured almost half of the armored delivery business in the state – including most of the big retail chains and many of the largest banks and credit unions.

From its unmarked, nondescript headquarters garage in Portland, the company has expanded to Salem, Eugene, Medford, and Newport. The payroll has grown to 170 employees and still includes son Jeff.

A Basic Approach

At OSU's College of Business, Vance learned valuable lessons in basic accounting and business law. As the business grew, he kept the approach to business basic.

“We just tried to do a better job at a more reasonable price,” Vance said.

That meant long hours and hard work.

“Back in the early days, Rolin and I did everything – drove the trucks, made sales calls,” Vance recalled. “We ended up working every day. During the day, we did the things we had to do during the day. Then we worked until midnight doing the things that could be done at night. In an entrepreneurial arena, if you don't put in the time, you're not going to make it.”

Entrepreneurial Ethic

With Oregon Armored now well established, Vance is taking time to look beyond the business. He is informed of OSU's \$20 million plan to renovate Weatherford Hall as a dormitory for developing entrepreneurs. He thinks the concept has potential but that it doesn't guarantee success.

“People who start their own business like to bounce ideas off of one another,” he said. “But being an entrepreneur is not something you can get through formal training. It's like athletics. You have to have some kind of skills going in. Entrepreneurs are people who don't depend on some-

body else to provide them with things to do. They get up early and hit the ground running. They put in extra hours when they need to. They bounce off brick walls. Failure is not an option.”

Over the past 20 years, Vance and Rolin Vance have applied that determined entrepreneurial ethic to become leaders in their industry.

Through it all, they have stayed in touch with their beginnings. The trucks of Oregon Armored Service can still be seen rolling up and down the hills of Portland, collecting change from the city's parking meters. ♦

Brad Wiens: Building Bog Business

For most middle-aged executives, having their career bog down and their company exported to another country is cause for dismay, disillusionment, and even depression. But for Brad Wiens, '76, vice president of finance and chief financial officer of Sun Gro Horticulture Canada Ltd., it has been really quite fun. He wouldn't have it any other way.

You see, Wiens' business is bogs – big, swampy, mosquito infested potholes of central and eastern Canada. The large, shallow depressions were scraped out by glaciers during the last Ice Age. Centuries of decaying vegetation – sometimes 50 feet deep – and short, wet summers created acidic conditions ideal for the growth of a humble little plant called sphagnum moss. Sun Gro comes along, clears out the brush and scrub, grooms the bog and essentially vacuums off the top few inches each year. A good bog can be harvested for up to 40 years.



A tractor is pulling a harvester that vacuums up a small amount of peat moss, that has been exposed to the sun and air to dry, and holds it in the large bin. When the bin is full, the peat is dumped and later transported to a plant where it is screened, mixed, and packaged.

Peat bogs and sphagnum moss do not make scintillating topics for conversation at CPA gatherings – most CPAs can't even spell sphagnum.



Brad Wiens, '76, VP of finance and CFO, Sun Gro Horticulture Canada Ltd.

Yet the springy, fibrous bryophyte is the foundation of a \$500 million industry. The moss makes an ideal growing medium for plants and flowers, so there is a steady, recession-proof demand for the spongy stuff from every greenhouse, nursery and garden shop in the

land. (You will find it at Freddy's as the *Black Gold* brand of potting soil.)

"It is almost impossible to think of a business with less sex appeal," Wiens laughs, "but it's a great business. We produce a product that is used to create beauty and peace of mind."

Sexy Is as Sexy Does

Now before you leave this article in search of something sexy, consider this: Sun Gro is well up the list of Canada's Top 500 companies. It has parlayed peat products into a \$125 million (U.S. dollars) company with 600 employees and 14 processing plants in the U.S. and Canada. It exports products to 40 countries, yet remains resistant to global competition. In the New World, peat bogs are pretty much a Canadian specialty, though there is competition overseas from Russia, Ireland, and Finland.

In the past two years, Wiens' part of the business has been anything but boring. He has taken Sun Gro through a divestiture from a U.S. company and supervised the 13th largest Initial Product Offering (IPO) on the Toronto Stock Exchange in 2002. With the IPO, he created an investment vehicle the likes of which you won't find in the United States. Instead of selling shares of stock, Sun Gro took advantage of Canada's tax laws and sophisticated capital markets to offer investors units in an *income trust*, similar to a real estate investment trust in the U.S.

When the company moved to Canada, Wiens was able to remain in Bellevue, Wash., Sun Gro's Corporate office, with his wife, Molly (also an OSU grad), and son, Matthew, 11.

Reluctant Accountant

All of that international high finance is quite impressive for a reluctant CPA who did everything he could to avoid accounting classes.

"Accounting was my worst subject and the lowest grade I ever earned in college," Wiens said chuckling. "I took every finance course and as few of the accounting courses as I could."

Wiens was born in Salem and raised in Lake Oswego. After college, he signed on with Ernst & Young back when it was Ernst & Ernst. There he discovered that a CPA certificate was a prerequisite to move up the corporate ladder. To become a CPA, he needed the accounting classes he had dodged at OSU. So back to class he went, picking up the missing courses and earning his CPA in 1979.

In 1987, Wiens left Ernst & Young to work for Penwest, Inc., a specialty chemical company, then moved to Sun Gro in 1996.

"I absolutely like my job," he said, looking back over his years there. "We operate in a lot of small towns, I know the employees, and I like what I am doing. It has worked out very well for me."

When spring comes to Washington, Wiens takes advantage of his employee discount, shouldering bags filled with sphagnum peat moss. Unlike most American gardeners, he knows where that rich, dark mix came from.

"There's a little Canadian real estate in my garden in Washington," he said. ♦

Ken Varner: San Francisco's King of Small Tract Real Estate

The elegant living room was packed with influential members of San Francisco politics and society. They had gathered to celebrate the election of State Senator Jackie Speier. As they stood to introduce themselves, Ken Varner considered what to say about himself.

He had been born in Astoria, raised in The Dalles and graduated from OSU in 1979 with a degree in Accounting and Finance. He could offer his business title – president and CEO of Cypress Lawn Memorial Park – the oldest and largest non-denominational cemetery in the Bay Area, and the most successful cemetery of its size in the nation.



Ken Varner, '79 (center), president and CEO, Cypress Lawn Memorial Park

Perhaps he would drop a few big names, like Hearst or Crocker, Flood, or Ralston – past scions of San Francisco who came to rest along Cypress Lawn's quiet avenues. His Board of Directors is populated with their great grandsons.

When his turn came, Varner faced the group and announced, "I am Kenneth E. Varner, President and Chief Executive Officer of Cypress Lawn, and I will be the last one to let you down."

There was a moment of frozen silence as the group puzzled over this odd pledge of support, and then the room erupted in laughter as everyone caught his grave-side humor. Speier, the senator elect, laughed with them, but later chided Varner, "Why do you do things like that?"

He just smiled and replied, "You have to add a little bit of humor in my business."

"It Won't Hurt to Talk"

Varner didn't start out in what he euphemistically calls "small tract real estate." After graduating from OSU, he dabbled in all manner of business ventures, starting with traditional auditing and tax accounting at Brenner & Co. in Salem, one of the largest CPA firms in the Willamette Valley. As divisional controller of Roseburg Forest Products, he balanced the books on the razor-thin margins of the timber industry. With a group of college friends in Portland, he learned about the promise and perils of a start-up business.

The business with his buddies didn't work out, but a blind date in Roseburg did. Varner met and married Jo-Ellen Yarema, the manager of the local Kmart. When Jo-Ellen was transferred to Yuba City, California, in the rice paddies and fruit orchards north of Sacramento, Varner found a job as chief financial officer of a start-up meat and cattle operation. In its first year, the firm did \$70

million of business in California, Colorado, and Nebraska, and the next year, it went bankrupt.

"I loved the timber and meat businesses," Varner recalls, "but they are extremely difficult. Both are commodity businesses that are characterized by high sales volumes and low profit margins."

After the bankruptcy, Varner was casting about for a new direction. He was interested in acquisitions, so he was intrigued when a head hunter contacted him about the Loewen Group, a Canadian company mounting an aggressive acquisitions campaign in the U.S. The company needed to evaluate 22,000 businesses – 95 percent privately owned – for possible acquisition.

Varner had never heard of the Loewen Group, but they were listed on the Toronto Stock Exchange. It sounded like a tremendous opportunity until he learned what was being acquired – cemeteries and mortuaries.

"I don't want to be in the cemetery and mortuary business," he decided, but Jo-Ellen pointed out that he hadn't even talked to anyone from the Loewen Group.

"Go to the interview," she encouraged. "It won't hurt to talk to them."

Excellent EBITDA

Taking her advice, Varner met with the Loewen Group and concluded that they were good people providing a worthwhile service in an industry that had unbelievably good operating numbers. Typical earnings before interest, taxes, depreciation, and amortization – EBITDA – were 30 percent for cemeteries and 40 percent for mortuaries, compared to two percent for timber and cattle.

(Continued on page 12)

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With an aging population of Baby Boomers, the industry had a growing, recession-proof market. Most funeral homes and cemeteries are family owned and poorly managed, running at a fraction of their potential because they don't understand how to pre-sell their services. Plus, Varner recognized that the funeral business had the contrary advantage of being unpopular.

"In the meat and cattle business, I learned that when you do something that others won't do, you usually get paid very well to do it," Varner explained.

In 1989, Varner trusted his instincts and those enticing numbers and joined the Loewen Group, which has since changed its name to the Alderwoods Group, Inc. He found himself on the ground floor of a company growing at a furious pace. In just one year, he went from managing one property to managing several properties in several states. He criss-crossed the country, buying cemeteries and mortuaries for five times net earnings, which once folded into the public company were worth 30 times net earnings. In the process, he also came to know everybody who was anybody in the industry, and they came to know him.

Cypress Lawn Calls

In 1996, Cypress Lawn Memorial Park called. The not-for-profit corporation is the oldest and largest of the 17 cemeteries in the necropolis of Colma, California, a few miles north of San Francisco International Airport. Despite its preeminent size and 111-year history, Cypress Lawn was steadily losing market share.

In 1996, Varner took on the challenge of transforming the oldest and biggest into the best and most solvent cemetery in the Bay Area. In seven years, he has done just that. With one record-breaking year after another, gross revenues have increased from \$4 million in 1996 to \$21 million in 2003.

Varner put together a sales force of 110 people, who offer pre-arranged cemetery estates as a sensible part of estate planning. Last year, 90 percent of Cypress Lawn's business came from pre-arranged cemetery property.

With cash in hand from 6,000 advance purchases, Varner embarked on a major new construction campaign. To attract Asian families, he is completing a \$30 million cemetery addition designed upon the principles of Feng Shui. It has a 40-foot granite archway, fountains, and a lake that

reflects the San Bruno Mountains. To serve the cremation market, Varner formed a for-profit mortuary company and is building a \$10 million funeral home and cremation society.

"My job is like running a real estate office, an insurance company, a finance company, and a construction company all in one," Varner muses.

Beyond all the projects, budgets, and board meetings, Varner has found his work to be deeply personal and satisfying. He frequently forms lasting friendships with his clients and their families.

"When you help people on the worst day of their life, you become very special to them," Varner said. "You don't really appreciate that until you have experienced that first hand in a business like this." ♦

Jim Williams: Encore Performance

OSU's first Master of Business Administration program changed the life of Jim Williams, chairman of Encore Senior Living, Inc. Williams first graduated from OSU in 1965 with a Bachelor's degree in engineering, but the MBA he earned in 1966 – the program's inaugural year – sparked his career as a health care entrepreneur.

New Meaning for H, M, & O

Though it is hard to imagine today, the acronym HMO was virtually unknown when Williams received his MBA. The concept of a health maintenance organization was then little more than the abstract musing of medical economists. But the creation of Medicare – government funded health care for seniors – on July 1, 1966, brought a sweeping transformation.

"Medicare introduced an enormous bureaucracy into hospitals," Williams explained. "Most rural hospitals were unable to cope with the financial complexities of this federal program. This created a big market for a new professional management concept."

Williams recognized the business opportunity. After graduation from OSU's MBA program, Williams married his Coos Bay high school sweetheart, Chris Keylock (who along with their three children are all OSU graduates), and headed for Oxford, England, for a three-year tour in the U.S. Air Force Medical Service Corps where he learned the basics of hospital management. Returning to Oregon in 1970, Williams went into business with Gene Brim. Together they founded Brim, Inc., one of the first companies in the nation to offer hospi-



Jim Williams, '66 MBA, Encore Senior Living Chairman of the Board, COB Alumni Award winner, and AEP board member

tal management services under contract.

Starting modestly with the hospital in Coos Bay, Brim, Inc. grew to own and operate 58 hospitals. Williams led the creation of more than 20 subsidiaries to test new business models to meet the age-old challenges of health care. The firm formed one of the first HMO-styled preferred provider organizations in the nation. It opened the first two outpatient surgery clinics in Oregon. Brim became the 34th largest private company in Oregon, employing 13,000.

Senior Momentum

When the company merged with Providence Healthcare, Inc. in 1997, Williams moved to intercept the next great business opportunity triggered by the Baby Boom of the 1950s – assisted living for aging Americans. Partnering with the Pritzker family of Chicago – owners of the Hyatt Hotel chain – Williams and a few close associates formed Encore Senior Living.

In just six years, Encore has become one of the largest senior living companies in the nation with 40 facilities in nine states and annual revenues of \$60 million. In 2002, Williams stepped down as President and CEO, but he has continued as Chairman of Encore's board of directors.

Care for Kids

Through it all, Williams has made time for children and the companies that care for them. He was instrumental in merging three of the states' oldest children's agencies into Trillium Family

Services, the largest children's nonprofit in the state. Williams served as Trillium's first president and continues as a director.

"Kids are the cornerstone of our future!" Williams says with conviction. "Trillium is one of the nation's most effective agencies helping kids in need fit into their community. Assisting this great agency has been one of my most rewarding activities."

To help budding entrepreneurs, Williams joined the Advisory Board of OSU's Austin Entrepreneurship Program.

"I am really pumped by the idea of giving undergraduates – especially engineers and others with technical degrees – a taste of business principals and some creative juice that might encourage them to pursue their own enterprise," Williams enthused. "When I went to OSU, both my engineering and MBA classes prepared me to work for a BIG company, but big business is not where the future of Oregon lies. This program should put OSU in the forefront of building a stronger local economy by providing well-rounded graduates who can add value or even create their own businesses." ♦

Ken Thrasher: Business is Business, Big or Small

What is it like to go from the boardroom of a \$15 billion dollar mega-merchandise with 100,000 employees to the tiny office of a high-tech startup that measures sales dollars in thousands rather than millions?

"It's not as different as you might think," says Ken Thrasher, former president and CEO of Fred Meyer Stores, who retired in 2001 only to re-enter the business arena as the CEO for Compli, a fledgling software firm in Portland. "It's just business on a different scale. You still need good financial management, operating plans, and a marketing plan. In a small company, you have to take on a much broader work ethic. You do a lot more yourself,



Ken Thrasher, '71, CEO, Compli

but the principles are pretty much the same.”

After a stellar, 20-year career that took him to the top of consumer retailing, Thrasher could have filled his days with his many civic and community involvements. He is on the board of 10 non-profit organizations and commissions/advisory groups, including the Oregon Business Counsel, Portland Art Museum, and Oregon Coast Aquarium. He chairs the Oregon Education Commission and co-chairs the Oregon Mentoring Initiative.

Much of Thrasher’s time and energy goes to children’s organizations, including Friends of Children – a 10-year mentoring program – and the Albertina Kerr Centers for children with severe psychological and emotional issues and individuals with developmental disabilities. To give adults a helping hand, Thrasher serves on the board of the Oregon Halfway House, helping parolees transition from prison back into the community.

With so many varied and worthwhile interests, Thrasher wasn’t looking for a new business to fill up his calendar. But when he heard about Compli (pronounced “com-PLIEE”) from a former Fred Meyer colleague, he felt compelled to take it on. From his years at Fred Meyer, Thrasher could see that Compli addressed a universal yet unmet need for training verification and compliance documentation.

“Compli’s system helps set the tone at the top by reinforcing the company’s ethics,” he explained. “I really liked the concept of the software. Any company with 50 to 50,000 employees can use a product like this.”

Compli Tracks Compliance

Compli is developing software that tracks employee training to ensure that each employee understands company policies, procedures, and applicable government regulations. Compli has developed a system for tracking each employee’s reading and comprehension of company policies, as well as using on-line assessments to ensure employees understood the company’s training programs. The system captures exceptions to employee policy sign off and training, helping firms ensure that new employees get trained and that on-going training and certifications are kept up to date.

As Compli’s CEO, Thrasher is the firm’s number one advocate and salesman. His years at Fred Meyer convinced him that Compli is developing a solution for two of the most costly and intractable problems businesses face – the increasing number of lawsuits and skyrocketing insurance premiums. In business terms, Compli helps com-

CEO Circle

CEO Circle members are College of Business alumni who have verified they are chief executive officers of a company with 10 or more employees. The CEO Circle recognizes the achievement of those who have been named the most senior executive officer at their respective companies. Craig Keudell ’91, CEO of Extensis, is the honorary chair of the CEO Circle. The group has no membership fees, obligatory meetings, or elected officers.

A similar group, the CFO Associates, recognizes the achievements of chief financial officers.

The CEO Circle and CFO Associates groups welcome new members. If you are a COB alumnus and have reached the CEO or CFO level of your company and are not listed, please let us know by e-mailing exchange@bus.oregonstate.edu and we will add your name to future listings.

Stephen Altick ‘62
Camp Berachah Ministries

Vic Bartruff ‘71
Pinnacle Bank of Oregon

Jerry Bramwell ‘61
US Forest Industries, Inc

Richard Brooks ‘76
VantageMed Corporation

Jake M. Bushey ‘83
Delta Systems Inc

James Cahill ‘76
Ferguson Transfer Co Inc and Coos Bay Transfer

Richard Campo ‘76
Camden Property Trust

Dennis Carlson ‘69
Centennial Mortgage Co

Michael Cook ‘79
MTi Inc

Wesley Edens ‘84
Fortress Investment Group

Ruth Fisher ‘54
Jim Fisher Motors

Ronald Giradelli ‘71
Diamond Fruit Growers Inc

Stanley Hong ‘59
Waste Management of Hawaii, Inc

Stephen Inman ‘58
Inman & Company Inc, Retired

Todd Johnston ‘92
Selectron Technologies, Inc.

Craig Keudell ‘91
Extensis

Jon Masterson ‘61
Wallboard Tool Company Inc

Kelly C. Morgan ‘79
Sierra View District Hospital

Timothy Nielsen ‘79
Fullerton & Company

Donald Noldge ‘73
St. Helens Community Federal, Retired

J Curtis Olson ‘75
Seaswirl Boats

Greg Pierson ‘89
ieLogic

John Porter ‘83
AAA Oregon/Idaho

Ellsworth Purdy ‘50
Uniservice Corporation, Retired

Michael Schneider ‘81
Willis of Oregon

William Sherertz ‘70
BBSI

William Sperber ‘59
Trust Company of Washington, Retired

Kenneth Thrasher ‘71
Compli Corporation

Thomas W. Toomey ‘82
United Dominion Realty Trust, Inc.

Robert Washburn ‘66
Olympia Medical Lab, Retired

Steven Zahradnik ‘78
Mill Supply Corp.

panies address *risk management* (which can lower claims and insurance costs) and *enterprise compliance* (which strengthens the company’s legal defense in the event of a lawsuit).

Compli’s employee training records can fortify a courtroom defense by showing that the company maintained proper policies and ensured that employees read and understood them. When an employee violates a company policy – engaging in activities like sexual harassment, racial discrimination, or deceptive financial reporting (like Enron) – Compli provides the forms needed to document and track the company’s response. Compli, in effect, lays down the paper trail that helps guide a company through the legal jungle.

Earlier this year the Chubb Group of Insurance Companies gave Compli a significant boost when it agreed to trim premiums by up to 10 percent for businesses that agreed to put the savings toward the cost of Compli’s system for employment practices.

Wealth of Experience

For Compli co-founders, Greg Koleno, Robert Miller, and Scott Kozuma, recruiting Thrasher

as chief executive officer in April 2002 was a business coup. Thrasher brought with him a wealth of connections and years of experience that he traces back all the way to Mrs. Nyland’s bookkeeping class at Franklin High School in Portland.

Thrasher completed his degree in Finance and Accounting at OSU in 1971. He went to work in 1972 at Mayflower Farms, a dairy cooperative in Portland, first as an accountant, then as chief economist. In 1978 he became Mayflower’s Chief Financial Officer and Treasurer, completing a merger with Darigold of Seattle in 1982.

“At Mayflower, I effectively put myself out of work, since all the financial work went to Darigold,” he said.

In Sept. 1982, Fred Meyer snapped him up as a Vice President and Treasurer. For the next 20 years, you could “find him at Freddy’s.”

By 1987, Thrasher had moved up to Chief Financial Officer and was helping guide Fred Meyer through a series of major acquisitions. The acquisitions took Fred Meyer from \$5 billion in sales with 30,000 employees to \$15 billion with 100,000 employees, making it the largest food merchandiser in the western United States.

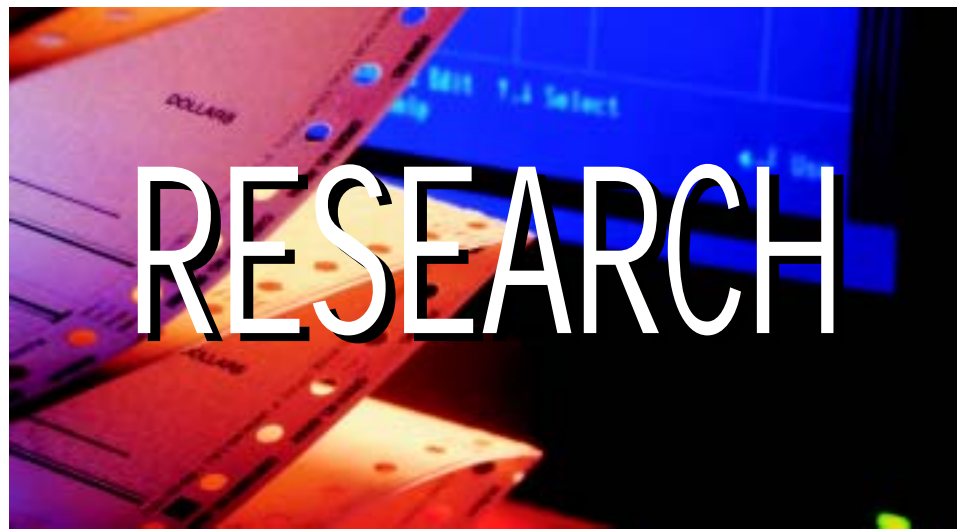
When Fred Meyer was in turn acquired by The Kroger Co. of Cincinnati, Ohio in 1999, the resulting supermarket giant topped \$50 billion in sales with 300,000 employees.

“After the acquisition, I became President and CEO of the Fred Meyer Division of Kroger,” a position he held until he retired in February 2001 to spend more time with his family and to pursue his community interests.

Treating People Right

With one career behind him, Thrasher has embarked on an entirely new business direction. With his extensive business knowledge, he is guiding Compli beyond the realm of Human Relations, where it began. Compli developers are creating modules that address employment practices, workers compensation, corporate governance, general liability, environmental compliance, and other government compliance issues.

“I believe in what we are selling,” Thrasher said. “We are selling ethics, fairness, and treating people right. We have an opportunity in business to listen and engage. Compli offers a very proactive approach to those business practice issues.” ♦



Larson Goes International with Socio-Technical Approach to Project Management

After four years and more than 50,000 books in circulation, Department Chair and Management Professor Erik Larson, and retired Professor Clifford Gray, have gone international. Their book titled, *Project Management: The Managerial Process*, has been translated into Russian and Chinese and distributed globally through international publishers who have partnerships with their publisher McGraw-Hill.



“Our goal is to be number one by our third edition,” said Larson. “We’re exceeding expectations of our publisher and adoption has been very positive.”

Because of international interest, the Russian translation was completed in Fall '03 and the Chinese version in January '04. When Larson met with Chinese publishers in January, they told him that project management was a hot topic at both Chinese business and technical universities.

“If you look at the Russian book, the pages are made thin so that they can’t be copied,” said

Larson. “In China, there is a “free read” tradition whereby Chinese sit in bookstores and study textbooks in their spare time. I talked to two students who were reading our book in Shanghai,” he said.

The book, now in its second edition, takes a socio-technical approach to project management.

“Previously, project management books were written by operations scholars and were very technical,” said Larson. “I’ve always believed that people get projects done, not tools and techniques, and that is why our book includes both the operational and behavioral aspects of project management.”



Erik Larson, COB department chair and professor of project management



Cliff Gray, retired COB professor of management

ment,” he said.

With a background in teaching and researching organizational behavior and project management, Larson teamed with Gray who was an expert on the traditional operations perspective. In their newly revised second edition, they integrate the socio-cultural aspect of project management more effectively up front and throughout the book. This content includes learning how to work within an existing organizational culture, managing stakeholders and team members based on differing and often competing goals and viewpoints, and managing projects across organizations with opposing goals and cultures.

The new edition features a new chapter on estimating, as well as twice the popular “Snapshots from Practice.” Through the “Snapshots from Practice,” the authors show how project management tactics and techniques can be applied in a variety of settings, across business functions and industries. From preparing for the risks of climbing Mt. Everest, to examining the botched rescue of the Iranian hostages, to analyzing the filming of “Apocalypse Now” and its budget-impacting crises, to a Nokia example of bringing a new wireless phone to market, situations are presented and project management solutions are emphasized and implemented.

The book also explores how projects are used to reach strategic mission critical goals; how to prioritize projects with limited organization resources; how core competencies can be extended through outsourcing; the methods to keep control of project duration, budget and quality; handling international projects, and more.

Larson and Gray include CD-ROMs with tutorials on using Microsoft Project, exercises, and quizzes with the book. They’ve also written a thick



teacher’s edition and a professional version of the book called, *Project Management: The Complete Guide for Every Manager*. Both versions are available on amazon.com.

“The professional version is more of a how-to for project management,” said Larson. “It is much more pedestrian-friendly and is often used as a study guide for professionals taking the Project Management Institute certification.”

With the third edition in progress, Larson says “we still have 10 percent to go to get it right! The book is an element of experience and our goal for this next edition is to improve the experience for the teacher. If the teacher enjoys it, the students will enjoy it.” In doing so, the duo plans to incorporate more practitioner and experiential learning components. Hundreds of higher education institutions use the book including Boston College, Boston University, Clemson, Florida State, Indiana University, Penn State, Purdue, University of Oregon, University of Phoenix, University of Washington, and more.

According to reviewer Lee R. Lambert, PMP, a member of the editorial review boards for *PM Network* and *Project Management Journal*, “Woven into all of this state-of-the-art coverage of the project management concepts, tools, and techniques is an undeniably important and comprehensive discussion of the oh-so-vital human element that must be carefully considered for any sustained, beneficial implementation of the project management process.” In his review in *Project Management Journal*, he concluded, “if the profession of project management had its own ‘bible,’ *Project Management: The Managerial Process* would probably be it!” ♦

Financially Successful Companies Manage Strategic Flexibility

With competitive landscapes constantly changing, examining your company’s strategic planning process can make the difference between going under or forging a new market niche where none existed before.

Assistant Professors of Strategic Management Clay Dibrell and Jon Down are creating a new dynamic, deliberate, strategic planning process model that will help companies assess their strategic planning process and its alignment with the

Project Management Tips

by Erik Larson

1. Beware of creepy monsters. Manage scope creep.
2. Timeouts save time. Take the time to assess whether there is a better way of doing things.
3. Dig a well before you are thirsty. Build relationships before you need them and make deposits on a regular basis.
4. Missing two milestones is the kiss of death. If you slip one, do everything within your power to get back on track.
5. Walk the talk. Your most powerful leadership tool is your own behavior.

business and culture, as well as its flexibility in responding to external concerns.

To kick off their research, Dibrell and Down focused on the mature, large, global wood products industry. Their findings should not be generalized to other companies such as small start-up companies; however, currently they are researching additional market segments. In their research, they interviewed executives first-hand to discover a shift is occurring in the strategic management of these mature companies.

“Most companies are moving toward a more deliberate, specific, intensive approach to strategic planning,” said Dibrell. “They are moving away from an emergent, organic process...the fly by the seat of your pants mentality,” he said.

In the \$500 billion forest products industry, particularly, this once highly fragmented and relatively stable industry has now become highly internationally competitive with intense consolidation, price pressures, environmental regulation, and emerging substitute products. Many companies did not see the approaching competitive storm because of their emergent, informal strategic planning processes and have now been forced to re-evaluate their industry positions and broaden their strategic perspectives.

Traditionally, forest product manufacturers attempted to produce at the lowest possible cost through a focus on internal efficiencies by producing a commodity-like product for the marketplace. Most companies had a very limited idea of what the consumer wanted beyond the lowest prices and were unaware of possible changes in the competitive environment.

“The companies we interviewed who reported



John Down, COB assistant professor of management

the most financial success in comparison to their peer group had deviated from the traditional forest products strategy model,” said Down. “They articulated the importance of paying attention to the needs of the customers beyond the loud call for lowest price.”

Based on these discussions, Dibrell and Down grouped similar strategic planning styles, and financial performance success, relative to the rest of the industry. The *Dynamic* group of companies successfully implemented a strategic planning process that they believed contributed to greater financial performance, developed a formalized strategic plan, and developed systems to help them respond to opportunities and threats in the external environment. The next group, the *Transitional* group, was in the process of adopting new strategic planning processes, but wasn't sure how they were going to work. The third group, the *Intrinsic* group, had embraced an inwardly focused strategic planning process that was rigid. This group acknowledged they had lost potential opportunities due to their inability to deviate from their strategic plan. They felt the consistency, though, was of greater importance than the uncertainty of changing from their low-cost strategic focus that would likely come with a flexible planning process. This group would wait and see how other forest product companies reacted before making



Clay Dibrell, COB assistant professor of management

their own decisions on how to proceed.

“Organizations with the most effective planning processes were able to simultaneously create a clear direction for the organization and yet still be aligned with their external environment to detect when changes in strategy were needed,” said Dibrell. “These companies had flexibility built into their systems to make strategic changes.” ♦

What Is Your Approach to Strategic Planning?

Take a few minutes to assess your strategic planning process by answering Agree = 1, Not Sure = 2, Disagree = 3 to the following statements posed by College of Business Assistant Professors of Strategic Management Clay Dibrell and Jon Down.

1. We have a strong external focus in our strategic planning.
2. We have a strategic process that works for us consistently.
3. We have flex points built into our strategic planning model.
4. We act when an opportunity/threat emerges.
5. We re-align our strategic plans when opportunities/threats appear.
6. We align our strategic process with our strategic choice.
7. We view threats as possible opportunities.
8. We have a strategic culture that readily accepts change.

Total your assessments and divide by eight.

If your average is close to one, your company's strategic planning process is *dynamic*. Your company likely has a routine, strategic planning process with a strong external focus that is managed flexibly. Threats are viewed as opportunities to advance.

If your average is close to two, your company may have a *transitional* strategic planning style. Your company is likely developing a planning process. New strategies are likely to react to past experience. Strategic flexibility is uncertain. Your company most likely values widespread involvement in the planning process.

If your average is three, you have an *intrinsic* strategic planning process. Companies that have an intrinsic planning process have a routine planning process without strong external focus. Planning and strategic goals are usually disconnected and internally focused. Strategic flexibility is reactive. Your company most likely takes a risk averse, conservative posture and is careful not to make mistakes.

Team Effectiveness Analyzed in Manufacturing Environments

While well-formulated human resource policies, top management support of teams, and team-based training have been proven to positively impact team effectiveness, Assistant Professor Mark Pagell found that if the actual operational environment is not optimized, team effectiveness will be inhibited.

In a manufacturing environment, especially, where operational contexts may be fixed because of capital investments, adjustments for optimal team-based work may be limited.

For example, Pagell researched 30 plants in eight industries and found that the team composition, layout of a facility, communication levels, and the type of work teams were doing heavily impacted team effectiveness.

Teams that were composed of different people to complete a single project, like in an assembly team, were found more effective than functional teams, teams composed of people doing the same type of work, such as machining parts. Findings indicate that if teams performed work that didn't link with work of other team members, they were more likely not to be as effective.

The operational system also enables or inhibits teams in other ways. Fabrication is often done in cells to increase efficiency. Team members who rotate jobs and responsibility within the cells and are linked to other team members are more effective than a single employee running a stand-alone piece of equipment where the work of one team member isn't tightly linked to another team member. For teams to be of value, Pagell found, the structure of the operational system has to encourage employees to work together.

Communication throughout the day within teams is also key to sharing knowledge, solving problems, and making improvements. In one plant Pagell analyzed, teams met at the beginning of their shift to solve team problems and discuss

(Continued on page 16)

Team Effectiveness

(continued from page 15)

improvement opportunities, but the fabrication's equipment size and noise level physically isolated employees. The only way for team members to communicate with each other was to stop working and leave their work area. Because of

this isolation, team members often solved their own problems and made improvements on their own without the rest of the team, making the beginning-of-the-shift meetings less than useful. Therefore, the key reason for using teams—building shared knowledge—was not leveraged.

What teams had to do were also important to the effectiveness of teams. According to Pagell's research, the teams were successful when the team did a variety of work or faced a number of novel problems.



Mark Pagell, COB assistant professor of management

For example, when a diesel engine manufacturer instituted team-based work throughout the plant, the outcome of teams varied because of the work they were doing, said Pagell. One work cell made more than 200 different intake manifolds. Because the part was constantly changing, their team addressed many unique problems and had opportunities to improve the process. However, another cell fabricated a single part continuously. Once it was debugged, very little new or interesting happened for years at a time. And, because the process was very well optimized, the team for this cell did not have much to do and was viewed by management and employees as unnecessary.

"The bottom line," says Pagell, "is that when team members do not have as much to do as a team, the team is seen as a waste of time."

According to Pagell, successful teams have operational systems that encourage interdependence, freedom for high levels of informal communication, and have novel problems to solve.

Because so many of the factors discussed are often difficult to change in a manufacturing environment, Pagell recommends incorporating team thought when discussing capital investments, process improvements, or reengineering efforts. When designing a facility's layout, management should move teams closer together to encourage more communication and interdependence. Rearranging work into cells run by semi-



Joining representatives from the College of Forestry and College of Engineering, Dean Ilene Kleinsorge and Assistant Professor Mark Pagell toured Weyerhaeuser in Springfield, Oregon to continue a dialogue regarding business and technical issues impacting the wood products industry. Kleinsorge also visited alumni at Weyerhaeuser headquarters in Federal Way, Washington, in a separate event. (Photo by Rich Holdren)

autonomous groups may enhance the ability of teams to help an organization. These cells need to be designed with both efficient processing and effective teamwork in mind. While major process changes and/or reengineering efforts tend to be infrequent; when these activities do occur, management should consider whether the new process would be more or less hospitable to team-based work. ♦

Management, arguably the best journal in the field of operations management, with winning as the first step toward publication. His paper explores how executives in operations management respond to environmental uncertainty with more flexible processes. Based on his research, Pagell concluded that there is no support for the proposition that firms that respond to increased uncertainty with increased flexibility will experience increased performance.

To win his second award, Pagell was selected from three finalists who presented at the conference. With the *Journal of Operations Management* accepting only 10 percent of articles submitted, and publishing only 60 papers a year, winning "Best Paper Published in the *Journal of Operations Management* in 2002" is no small feat. In his article titled, "Multiple Case Studies of Team Effectiveness in Manufacturing Organizations" (see related article), which he co-authored with Jeff A. Lepine, Pagell researched employees in actual operational settings and explored how operational systems impacted team effectiveness. Traditionally, Pagell said, academics may do this research in campus labs with student managers and the like. "With our research we used external settings so the findings may be more useful for businesses," he said.

Pagell is currently detouring from his supply chain management and operations management expertise areas to rechannel his research efforts in the area of business sustainability. As he leads the college's new Business Sustainability Initiative, he will explore business sustainability and its economic, environmental, and social impacts. ♦

Pagell Wins Big at Prestigious Academy of Management Conference

With 3,000 to 4,000 academics in attendance at the widely respected Academy of Management Conference in Seattle this past summer, College of Business Assistant Professor Mark Pagell walked away with an uncommon two awards. His first paper beat out more than 50 submissions to take the "Best Paper within Operations Management" category. His second award and \$3,000 prize was for the "Best Paper Published in the *Journal of Operations Management* in 2002."

Pagell won the first award with his paper titled, "Re-exploring the Relationship Between Flexibility and the External Environment," which he co-authored with Daniel Krause. His paper has been conditionally accepted by the *Journal of Operations*

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Dean's Distinguished Lecture Series Filled to Capacity



Screenwriter Mike Rich

Screenwriter Mike Rich Explains "The Business of Hollywood"

Whether at the Portland Business Roundtable, Homecoming Classes without Quizzes, or the College of Business' first Dean's Distinguished Lecture Series, Screenwriter Mike Rich glows with his passion for writing.

"I never refer to what I do as work. It is a privilege to get to do what I do," said Rich.

The screenwriter of "Finding Forrester," "The Rookie" and "Radio," says the odds are phenomenal in selling a screenplay.

"With more than 40,000 screenplays submitted to the Writers Guild of America last year, two made it into movies."

For Rich, after submitting copies of his third screenplay, "Finding Forrester," and getting them back unopened in the mail, he took the advice of a friend and entered a writing contest. On the day he advanced to the top five percent of entrants, 1 of 220 (out of an original 4,500) as a quarter finalist, he said, "That is still the best day. The first day of independent validation." Rich's screenplay went on to be one of five winning scripts.

"The next day I had 80 messages on my answering machine!" he said. His screenplay was sold to Columbia one week later and Sean Connery wanted to play the lead role. "A true champagne night," said Rich.

And so his professional screenwriting career began. Rich typically studies his characters before he begins writing. "There is no more intimidating a moment than when Page One is staring

you in the face," said Rich. "The jury is out."

Once he starts writing, he doesn't look back or read the pages until he is done. He typically writes four to five hours a day, an average of three pages a day and works eight to ten weeks to complete a 120-page screenplay. Rich says he expects writers block and builds that time into his schedule.

"What I learned is how the business side of things impacts the screenplay," said Rich. "Early on I wrote without understanding the cost or production challenges of what I was writing. Day and night shooting can create a \$200,000 a day cost difference in a movie," he said.

"I also learned that the screenplay isn't done when I say it is done!" he said. "Finding Forrester" took six rewrites. "The Rookie," two. He has also been fortunate to continue as the writer during those rewrites, when often a director can call in someone new.

"My best compliment came after the sixth draft of "Finding Forrester." Sean Connery had taken to offering me scotch at the end of the shooting day. I'm talking about James Bond movies with James Bond!" he said. "I thanked him for his support and he said, 'Mike, if the words hadn't been there. You wouldn't have been either.'"

From the business perspective, Rich says the theatrical release is now a springboard for the VHS and DVD release. According to Rich, it took \$22 million to make "The Rookie," with the expectation that it would make only \$36 million mostly



Mike Rich poses with President Ed Ray and Dean Ilene Kleinsorge after receiving his OSU Alumni Fellow Award. Rich, along with astronaut Donald Pettit and Prozac discoverer David Wong, were honored as notable OSU alumni.

from the U.S. market. It ended up making \$80 million in the domestic box office and more than \$100 million in DVDs.

Rich also talked about the disturbing trend of movies being filmed outside the U.S. He said "Miracle," a story about the 1980 U.S. Olympic hockey team, was filmed in Canada because with

a \$45 million budget, it cost only \$39 million if it was made in Canada... a huge savings, he said.

And while Rich has become the go-to guy for family-friendly, based-on-true-story, sports-related scripts, Rich's next project is "The Manhunt for John Wilkes Booth," which is about the assassination of President Abraham Lincoln. In the future, Rich would like to do an original screenplay, perhaps a smart, intelligent thriller. "I want to challenge an audience," he said.

And the audience is whom he never forgets. With sneak previews making or breaking potential movies, the audience is critical. He also remembers his roots in Enterprise, Oregon. The barbershop and clothing store in "Radio" were reminiscent of where he grew up. He named his first screenplay after his high school English teacher, Sharon Forster. "Mrs. Forster instilled a love and passion for writing," he said. And not to forget his alma mater, he named a running back in "Radio," Simonton. ♦

Unicru CEO Chris Marsh Imparts Wisdom on Leadership

Coming back to Corvallis, his home town, Unicru CEO Chris Marsh spoke to a packed audience on the topic "From the Firing Line: A CEO's Perspective on Leadership." After spending lunch with a group of Beta Alpha Psi and management students who grilled Marsh on both business and personal fronts, he began his Dean's Distinguished Lecture saying, "I've been CFO of three companies, CEO of three companies, been fired, in a family business, in a turn around, a work-a-holic, a dot-com survivor, and a new economy guy. I've been scared, enlightened, rich, broke, married, divorced, a dad."

Marsh said, "You have to make choices in your career. You have to plan on how to navigate and focus." Marsh, who has worked in six different industries, determined that for him the natural path to leadership was the financial and accounting disciplines. In his words, "the bloodline of organizations."

Unicru, a maker of software that aids employers in hiring hourly wage earners, experienced 44 percent revenue growth in the third quarter alone and 600 percent growth in the last five years, according to Marsh. And the company is still growing, expecting to hire 100 new employees this year.

What does he look for in a new employee?

Unicru's industrial psychologists have determined that people are hired and fired 20 percent based on their skills and resume and 80 percent based on personal traits, attributes and behaviors. Absolutes for a successful leader, according to Marsh, include motivation, critical thinking (the most important indicator), technical know-how, self-management, lack of fear, ability to communicate good and bad news, getting and giving respect, and execution/goal orientation.

"I deal with issues that create fear and anxieties most days," said Marsh. "Make fear your friend. Part of being uncomfortable enables you to stretch more," he said.

For his own management team, Marsh said the process starts with resume review and discussion. Applicants then take a personality and critical thinking test. They go through a series of in-



Unicru CEO Chris Marsh

Key Traits of a Leader

by Chris Marsh

- Risk taker
- Hungry to learn
- Winner — tenacity and drive
- Always humble
- Has key mentors
- Selects opportunities wisely
- Surrounds self with good people
- Introspective with age

terviews. Finally, finalists make presentations that examine how they go about approaching a problem scenario.

"I'm less concerned about the college you went to, more concerned about fit and skills," said Marsh. "Being smart, accomplished, motivated, experienced, practical, and creative are important attributes in a leader."

Marsh emphasized the importance of ongoing feeding and education of the mind, of being firm about personal principles and ethics, and putting yourself in situations that match your skills.

In conclusion, he said, to some life is a journey to the grave. For me, "I want to end it Mach 2, hair on fire, having a blast." ♦

Top Family Businesses Honored

Four Oregon companies—from Yachats, Portland, Salem, and Canby—have been honored with the 2003 Excellence in Family Business Awards, presented by Oregon State University’s College of Business Austin Family Business Program. The awards recognize the achievements of family businesses in a number of areas including innovation, economic and community contributions, and commitment.

Raindogs, a retail store in Yachats, was the top firm in the micro category, which includes businesses with nine or fewer employees. The firm opened in July 2000. Judges noted the firm’s efforts to establish a store with a feel appreciated by customers that has developed into a town social center. The Bookkeeping Company and Roth and Miller Autobody, both of Portland, were finalists in the category.

Among small businesses with 10 to 24 employees, **Portland Transmission Warehouse** earned top honors from Austin Family Business Program judges. In making their selection, judges made note of the firm’s work to create a family atmosphere to make employees feel valued, as well as efforts to retain employees within the company and establishment of a neighborhood car show

that strengthens connections to community. Finalists in the small business category were Tyco, Inc. of Moses Lake, Wash., and Collier Arbor Care of Clackamas.

The top medium-sized business, with 25 to 99 workers, was **DeSantis Landscapes** of Salem. Judges praised the firm’s efforts to build a company that employed many family members over three decades, as well as made a commitment to volunteering time to community. Finalists in the category include Tomco Electric of Bend and Tec Laboratories in Albany.

The top large business with 100 or more employees was **Cutsforth’s Thriftway Market** in Canby. Judges praised the firm for efforts to encourage employees to stay with the store for 20 years or more as well as the firm’s work to remain linked to the community and continuing work to expand and refine the store to remain competitive. Finalists in the category were First Response of Portland and The Fisher-Ernst Group of Albany.

Award winners were selected from nominations from businesses and individuals from throughout the region earlier this year.

Additionally, the National Family Business of the Year Award, presented by MassMutual Financial Group, sponsor of the national program, was presented to Hotchkiss Co., a ranching operation in Burns. MassMutual established the National Family Business of the Year Award to recognize



The DeSantis family — (Back row) Ted Mucken, Tom DeSantis, Linda DeSantis, Jill DeSantis, Dean DeSantis, Jim DeSantis (holding Lily DeSantis), Nancy DeSantis, Tony DeSantis, (Front row) Ken DeSantis, Ella DeSantis, Jalen DeSantis, Tina DeSantis, and Zane DeSantis—took the top medium-sized family business award.



The Cutsforth family— (Back row) Christian, Joel, Kelsey, Brooks, Kathe, Frank (Front row) Elsie, Glenn, and Tanner — captured the top large family business award.

and honor the most successful of America’s estimated 12 million family businesses.

Sponsors of the program include West Coast Bank, MassMutual, Black Helterline, Delap White Caldwell & Croy, LLP, *The Business Journal*, Lincoln Financial Advisors, Boldt, Carlisle and Smith LLC, and The Rainier Group Inc. ♦

Research Shared at International Family Business Conference

Management Professors Jon Down and Mark Green represented the College of Business in Lausanne, Switzerland this past fall each presenting at the 14th Annual Family Business Network World Conference. Twenty-seven research presentations were highlighted at the conference giving insight into outcomes of studies performed on family businesses.

Assistant Professor Down presented a paper entitled “A Resource-Based View and Market Orientation Theory Examination of the Role of ‘Familiness’ in Family Business Success” that he co-authored with Austin Family Business Program Director Green, College of Business Assistant Professor Clay Dibrell, College of Forestry

Associate Professor Eric Hansen, and Food Innovation Center and College of Agriculture Assistant Professor Aaron Johnson. The paper established a correlation between “Familiness” and financial success of the business.

The group defined familiness as the degree of desire individual family members, who are involved in the ownership and management of the firm, have to remain part of the firm coupled with the level of interaction and communication that family members involved in the operation of the business have with one another.

In their qualitative research with four wood products and four food industry family businesses, the team’s findings indicated that a high level of familiness is positively related to firm performance through the development and utilization of shared, tacit operating and strategic knowledge. The group also found that high levels of familiness positively related to firm performance through the development of strong market orientation, leading to a customer-focused culture and a cohesive approach to the marketplace.

Green presented a publication that he wrote along with College of Business Assistant Professor Justin Craig and Bond University Professor Ken Moores about the way leadership flows through generations. “Family Business Leadership: a Stewardship and Agency Life Cycle Perspective” compared over 70 family business leaders using the stewardship theory. The findings suggested that first generation family business leaders were most likely to act as agents and second-generation managers act more as stewards. That is, agents act on behalf of the extended family and are motivated by tangible, exchangeable commodities that have a measurable market value. They tend to have a control-oriented management style. Stewards, however, see the firm as an extension of themselves and tend to have an involvement-oriented management style philosophy.

Based on the finding that first generation family business leaders are more likely to be agents rather than stewards, the group is excited to explore whether it is only in the second generation that businesses can really be categorized as family businesses.

The Family Business Network Conference is a way for professors and professionals to get an international view of family business issues and promote the research done at the College of Business. Down explains, “This research helps family businesses succeed by asking interesting management questions about their business, strategic thinking and resource development.”

An Austin Family Business Program grant funded the research and conference participation. ♦

Business Sessions at 4-H Summer Conference Set Record

With nearly three times the enrollment of the previous year, Business and Information Technology Sessions at the 4-H Summer Conference drew nearly 100 students from high schools and middle schools around Oregon. Students became treasure hunters, stock brokers, entrepreneurs, web masters, and robot designers, all during two days of workshops sponsored by Business and Information (BIT) Technology Extension at OSU Extension's annual 4-H conference.



Students focus on a stock market simulation game at the Business and Information Technology session of the 4-H Summer Conference.

During the digital photography session, students edited pictures of themselves. They also used their pictures during web design instruction led by COB MIS Professor Dave Sullivan. Tony Saxman, director of information services at the College of Business, designed and moderated a computer simulation game and contest, where students invested as much as \$20,000 virtual dollars in the stock market.

"It was interesting how one minute a stock would be high and by the next closing, it would be low," explained participant Pedro Villagomez, a Crook County 4-H member, who invested his money in Disney, Nike, and Coca-Cola.

In another computer simulation game called Lemonade Tycoon, students became instant lemonade stand business owners. Mark Green, director of the Austin Entrepreneurship Program and Austin Family Business Program, helped students handle realistic challenges that affected their business such as weather changes, stand location, amount of supplies to purchase, setting the price of lemonade, and more.

"You had to figure out how many lemons you needed and how much lemonade would sell that day. If it was hot outside you would sell more than if it's cold. In the mall there were more people to sell to, but I stayed in my front yard because it was free," described participant Christian Steinke, a Crook County 4-H member.

Other activities included a treasure hunt using GPS technology, and a LEGO robotics workshop, led by the College of Engineering, where students designed and created robots. Students also visited with advisors from the College of Business to find out more about attending OSU.

Bruce DeYoung, a COB faculty member, observed, "This novel linkage between COB and 4-H benefits youth and our institution. The event exposes potential students to the COB, and gives them a vision of exciting career possibilities in business and technology." The sessions were organized by Bruce DeYoung and Leslie Wampler from BIT Extension. Through the generosity of Hewlett-Packard, partial scholarships were awarded to 26 pre-college youth. ♦

Dana Martin, Crook County 4-H BIT Extension faculty member, contributed to this story.

Orth Guides OSU Vine & Wine Intelligence Network

With the help of other OSU faculty and Oregon wine industry representatives, COB faculty member Ulrich Orth, an agribusiness and food marketing research specialist, is creating an interdisciplinary center called the OSU Vine & Wine Intelligence Network to better serve the needs of the Northwest wine industry. The network incorporates the three main



Ulrich Orth

pillars of the wine industry: growing grapes, making wine, and managing the business, and will pool off- and on-campus resources to offer services such as professional education, research, networking, conferences, and internships for Oregon's wine community.

According to Orth, the idea for the OSU Vine & Wine Intelligence Network was proposed to the wine industry in June 2003 and immediately sparked the interest of vineyard and winery owners from across the state.

"The response to the Network has been really supportive and encouraging from inside OSU as well as from the industry. Among the strongest supporters are OSU faculty, the Board of Trustees and Jim Coleman, co-president of E. & J. Gallo, the world's largest winery, and member of the College of Business Advisory Committee."

The business group in the Network held its first seminar on April 8 called "Managing a (Family) Wine Business: From A(dvertising) to Z(est)." It featured industry keynote speaker Donna Duncanson, vice president marketing for Stimson Lane Vineyards and Estates (Woodinville, WA) and College of Business professors serving as coaches. Small groups of attendees rotated among coaches to complete assorted business projects.

While similar centers have been created across the country, the business component of the OSU Vine & Wine Intelligence Network makes this program unique.

"By adding business to the diverse viticulture, enology, food science and technology mix here at OSU, we will provide the wine industry with a well-rounded and complete set of resources for succeeding in business," said Orth. "We will be able to supplement the rich practical knowledge from wine professionals with business resources to help the wine industry more effectively sustain and grow their businesses."

The network is also in the process of establishing a website that will provide information and links to resources about grape production, wine making, and wine business management. From industry novices to seasoned veterans, Orth explains, the website will be an informational tool for interested parties across the country. ♦

Business Solutions Group Leads Microsoft.NET Training

In an expansion of its training program, the COB Business Solutions Group offered its first class to attendees outside OSU. Participants from the Oregon Department of Transportation and Oregon Department of Justice attended a weeklong training session to familiarize themselves with the Microsoft .NET learning environment.

"ODOT is in the process of making architecture and development platform decisions and used this training to learn about .NET and how it might fit into their environment," said Mark Clements, COB development engineer. Clements and Steve Landis, also a COB development engineer, taught the class.

The Business Solutions Group has been using .NET since its inception two to three years ago.

"Microsoft is pushing .NET as the new strategic development platform for web and internal applications," said Clements. "Microsoft is plugging the core technologies of .NET as an open standard and has put out an extensive class library that gives you a lot of base functionality that you don't have to do yourself. It is a fully object-oriented development platform that is nice to operate in," Clements added. ♦



Mark Clements, COB development engineer, coaches Oregon Department of Transportation employees during Microsoft.NET training.



COB Honors Alumni and Business Partners

The College of Business is honored to be associated with the outstanding Alumni and Business Partners who were recognized at our annual award ceremony held April 24, 2003, in Portland, Oregon. Honorees include **Irva Kay Neyhart**, **Don Waggoner**, **Ron Parker**, **Sally Smedal**, **James Winters**, **Patty Bedient**, **Dennis Powell**, **James Schupp**, **James Williams**, **Ken** and **Joan Austin**, and **Bernie Newcomb**.

The first set of awards was given to business partners who have distinguished themselves through professional practice and involvement within the college. The Distinguished Business Partner Awards were given to: **Irva Kay Neyhart**, partner, Stover Neyhart & Co., PC and **Don Waggoner**, retired, senior vice president, corporate development, Leupold & Stevens, Inc.

Neyhart taught accounting classes in the college, provided annual scholarships, and has served on the Accounting Advisory Council for eight years. She's also a member of the OSU President's Club and was honored for her fundraising efforts for the Beaver Athletic Scholarship Fund last year.

Waggoner is the college's outgoing Business Advisory Council chair. He has been a member of the BAC since 1995 and has chaired the group since 1997. Under Waggoner's leadership, the council played an instrumental role in the

college's re-accreditation efforts. He also served three years on the college's dean search committee. In addition, Waggoner is chief financial officer for Portland's Center of Design for an Aging Society, where he works to improve surroundings to maximize the abilities of older adults.

For alumni with fewer than 20 years experience since receipt of their BS degree and still practicing their profession, recipients of the Distinguished Early Career Business Professional awards include: **Ron Parker**, '86, plant manager, Cardinal CG; **Sally Smedal**, '82, treasurer and director, corporate accounting, Basic American Foods; and **James Winters**, '86, president and chief executive officer, United Energy.

Parker, a 1986 OSU management option graduate, manages coating operations in Galt, Calif. At the time of his graduation, he was named OSU Senior of the Year. Since 1998, he has been responsible for the construction and all aspects of operation of the Cardinal CG plant. Previously, he worked for Oregon Glass Company in Wilsonville, where his leadership resulted in the company's return to profitability.

Smedal, a 1982 accounting option graduate, served on the college's Business Advisory Council for 10 years and was the winner of the Beta Alpha Psi Outstanding Alumni Award in 1991. She is now serving as vice chairman of the board and chair of the Finance Committee for the Association of Financial Professionals. Prior to her work at Basic American, she held a variety of positions at ChevronTexaco Corp., including responsibility for development and design of the corporation's financial information systems.

Winters is a 1986 accounting option graduate. United Energy is the largest minority-owned corporation in Oregon and Washington, and the 41st largest African-American owned corporation in the country. The company's commitment to growth through profitable business ventures has allowed United Energy to provide opportunities for inner-city residents to learn valuable job skills.

The third award category included those mid-career Oregon Staters with at least 20 years of experience who are still practicing their profession. The Distinguished Business Professional Award winners are: **Patty Bedient**, '75, vice president strategic planning, Weyerhaeuser Company; **Dennis Powell**, '70, senior vice president, corporate finance, Cisco; **James Schupp**, '79, senior vice president, investments, Smith Barney; and **James Williams**, '66, chairman, Encore Senior Living.

and is responsible for business unit and corporate controllers, as well as mergers and acquisitions analysis. He is a member of the Committee on Corporate Reporting of Financial Executives International, having served as chair of the Financial Accounting Standards Board Liaison Subcommittee. He is also a member of the Federal Deposit Insurance Corp. Advisory Committee on Banking Policy.

Schupp, a 1979 master of business administration graduate, manages more than \$150 million in Smith Barney client assets. For the past 20 years that he has been a financial consultant with the firm, Schupp has ranked in the top 10 percent of financial consultants nationwide. He serves on the college's MBA Advisory Board and the School of Business Finance Club Advisory Board. He also sponsors a three-day off-site OSU leadership semi-



Left to right: **Patty Bedient**, **Ron Parker**, **Irva Kay Neyhart**, **Sally Smedal**, **James Winters**, **Bernie Newcomb**, **Don Waggoner** and **James Williams**. Not pictured: **Dennis Powell**, **James Schupp**, **Ken** and **Joan Austin**.

Bedient, a 1975 accounting and finance options graduate, aids Weyerhaeuser management in working with the company's board of directors to establish long-range strategy as well as helping senior management to improve the corporation's financial performance. Prior to Weyerhaeuser, she worked for 27 years at Arthur Andersen, where she was named a partner in 1987. In addition, she has served on the OSU Foundation Board of Trustees, and the college's Business Advisory Council.

Powell, a 1970 accounting option graduate, provides financial planning and analysis for Cisco,

nar for students each year. He serves as a board member of the Linn-Benton Community College Foundation.

Williams is a 1966 master of business administration graduate. Encore Senior Living is one of the nation's largest privately owned providers of senior living services. He is a co-founder of Brim Senior Living, serving as chief operating officer, vice chairman of the board of directors and president of several subsidiaries. He serves on the executive committee of the American Senior Housing Association, board of directors for Trillium Family Services and Parry Center for Children,

as well as several other health care corporations. His skills have helped make Trillium the largest not-for-profit children's mental health agency in Oregon.

Last, but not least, the Hall of Fame honors Oregon Staters who have made sustained and meritorious business contributions throughout their careers. The Hall of Fame awards were given to: **Ken Austin**, '53, founder, A-dec; **Joan Austin**, founder, A-dec; and **Bernie Newcomb**, '65, co-founder, E*TRADE. All award winners were recognized for their contributions to their profession, the College of Business and society at large.

The Austins are founders of Newberg-based A-dec, the largest dental equipment manufacturers in the world. The couple has a long history of service and financial support to the college. The College of Business' Austin Family Business Program and the Austin Entrepreneurship Program are just two of the couple's contributions. Joan Austin serves on the OSU Foundation Board of Governors.

Newcomb, a 1965 OSU College of Business graduate, is the co-founder of E*TRADE Group, Inc. of Palo Alto. In 1997, Newcomb gave OSU the largest stock gift in its history: \$ 6.1 million in stock from the company he helped found, and created four new endowments to directly benefit students and academic programs in the College of Business. Now retired, Newcomb travels and visits OSU regularly. Each year he meets with the winners of the scholarship that bears his name. ♦

Join us for the

2004 College of Business Alumni & Business Partner Awards Dinner

on Wednesday, May 12, at 5:30 p.m.
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Rick Legleiter



Lee Khure



Annie Flatz



Pat Rich



George Greenfield



Jim Shattuck

Guest Speakers Bring On-The-Job Perspective

The College of Business is fortunate to have alumni and business partners who come back to the classroom as guest speakers. Here are just a few of the professionals who have shared their experience with COB students.

Lee Khure, Louisiana-Pacific, spoke on his company's implementation of sustainable management systems.

Pat Rich, who is writing a book on engineering ventures spoke to a strategy class on entrepre-

neurship. "A common rule of thumb," he said, "is that anytime you add a person to a business it will cost about \$10-12,000 a month per person."

Jim Shattuck and **George Greenfield** from Hewlett-Packard also spoke. Shattuck addressed project management. Greenfield shared his experience about how work gets done. He said, "People self organize around meaningful work and a leader's role is to make meaningful work visible."

Annie Flatz, Intel global accounting control-

ler, discussed the implications of running a worldwide accounting and financial services system. She also told students, "When looking at a company, ask for its financial statement. Make sure there is cash in the bank."

Rick Legleiter, A1 Oregon Publishing, shared his insights on starting up his publishing business, and publishing his first comic book called "Kameelman." His words on how to make money: "Swing a lot and try for a home run!" ♦

College of Business Advisory Council

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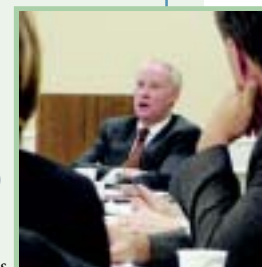
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OSU President Ed Ray
addresses the Business
Advisory Council.

Faculty and Staff Receive Awards

COB faculty and staff were honored for outstanding research, teaching, and service during the 2003 faculty awards celebration sponsored by the Business Advisory Council. Winners included Tom Dowling, Ray Brooke, Ray Tanner, Jonathan King, Susan Matson, John Drexler, Roger Graham, Stave Lawton, and Bruce DeYoung.

Dowling received the Byron L. Newton Award for Excellence in Teaching for his significant record of commitment to, and excellence in, teach-

ing. The award is based on outstanding formal instructor evaluations and input from alumni and students. Dowling led this year's Spring Seminar, "War on Main Street: The Impact of Terrorism on Business and Society" and also was the lead MBA business plan instructor formulating college's first Business Plan competition.

Brooks received the Excellence in Scholarship Award for the quantity of output and the focused, quality research, published in vehicles of the highest reputation. He has published in the *Journal of Business* and has contributed to the scholarship within the college including working with junior faculty and establishing research support.

The Outstanding Faculty Service Award was given to Tanner and King for excellence in service, reflecting a sustained involvement in the life of the college, university, and peer or practitioner organizations.

Tanner received this award because of his creative approaches to business learning. From improving the value of his on-line lessons by adapting it to both visual and text learners, to using class-wide simulations in which all students take on roles as employees in a fictitious company, Tanner creatively incorporates productivity software learning in his teaching.

King received this award because of his work institutionalizing noon sessions to discuss teaching and research, positively impacting the college's culture, as well as his involvement teaching business systems courses in the University Honors College.

Matson received the Exemplary Service Award for excellence in the performance of administrative duties based on input from students, faculty, and staff. Matson, having served the college for more than 20 years, was recognized for her work ethic, unflappability during constant change, and positive performance and dedication to the College of Business.

The *Gazette-Times* Faculty Leadership Award went to Drexler. He was recognized for his leadership among College of Business faculty that affects the larger community, beyond the bounds of the university. With the Enron Implosion, Drexler began an ongoing series of large, high impact courses sponsored and developed by the COB with a recurring revenue stream. The seminars have



Left to right: Ray Brooks, Ray Tanner, Susan Matson, Jack Drexler, Tom Dowling, Jonathan King, Roger Graham, Bruce DeYoung. Not pictured: Steve Lawton

had a profound, positive effect on the university and local community, as well as attracting national interest. Drexler is also well respected for his university involvement and student mentorship.

Graham, Lawton, and DeYoung received the Newcomb Faculty Meritorious Performance Award for their superior performance and for instilling in the College of Business an enhanced spirit of continuous improvement. They have contributed substantially to the reputation of the COB and the achievement of its mission, vision, and strategic objectives.

Graham has demonstrated a consistency of excellent work over time. He is committed to an effective learning environment for his students, has published 22 publications over the past dozen years, and has served as a reviewer of a number of prestigious journals. Having held numerous po-

sitions on college and university committees, Graham is currently the accounting option coordinator and accounting, finance and information management department chair.

Lawton is the academic director of the OEMBA and in his 20-plus years has received many awards. He is the international business option coordinator and an advocate of the international exchange program. He has consistently received high marks from students and for his work on the Sustainability Initiative.

DeYoung has been instrumental in bringing the information highway to rural Oregon by forming the Business and Information Technology extension program. He has set up Technology Learning Centers in two pilot counties in Medford and Burns and orchestrated the 4-H student BIT youth camp at OSU. ♦

Dave Sullivan

As co-inventor with Matthew McLuckie, COB Professor Dave Sullivan received United States Patent 6,651,216, "Efficiently navigating a workbook linked to a database" in November 2003.

Nancy King

Nancy King was awarded the 2002 William O. Douglas Prize for the Best Paper, "Simulating Online Dispute Resolution Processes for Trademark/Domain Name Disputes," co-authored with Gail Lasprogata last spring.

The William O. Douglas prize for best paper is given to the top paper presented at the Pacific Northwest Academy of Legal Studies in Business, the leading regional conference for business law professors. The winning paper is selected by a panel of outside reviewers.

Ping-Hung Hsieh and Nancy King

Nancy King and Ping-Hung Hsieh received a 2003 Distinguished Research Award for the paper, "When Online Recruiting Is a Jurisdictional Hook: How Using Interactive Web Technology Gets E-Businesses Sued in Distant Courts."

The award was presented at the Allied Academies' Spring 2003 International Conference in Tunica, Mississippi, and included selection of the paper for publication by the *Journal of Strategic e-Commerce*, which publishes e-commerce research by management scholars.

Promotions

Ping-Hung Hsieh to associate professor

Roger Graham to full professor

Jim McAlexander to full professor



Ping-Hung Hsieh



Roger Graham



Jim McAlexander

New Faces

Administration

Lori Emmons
John Hogan
Malcolm LeMay

Advising

Nancy Homan

Austin Family Business Program

Thuy Tran

Finance

Jimmy Yang

Information Services

Alan Sprague

MIS

Bill Robinson
Parker Swanson

Management

Justin Craig
Manolete Gonzalez
Les Ishikawa
Dan Lykins
Steve Mayer
Ken Shaw
Zhaohui Wu

Marketing

Roberto Sanchez

Raymond Brooks

“The Interaction between Opening Call Auctions and Ongoing Trade: Evidence from the NYSE and AMEX,” *Review of Financial Economics*, forthcoming (with Jonathan Moulton).

Clay Dibrell

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Erik Larson

Project Management: The Managerial Process, 2nd Edition, Irwin/Mc-Graw-Hill, 2003 (with C. Gray).

Jonathan King

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“A Method for Better Understanding Social Systems,” *Journal of Applied Systems Studies*: Vol. 4, 2003 (with J. Down).

“The Value of Virtue in Business Education,” *Newsletter of the Program for Ethics, Science, and the Environment*: Vol. 10, 2003: pp. 3-4.

Nancy King

“Web Access For Customers With Disabilities: Can We Get There From Here?” *UCLA Journal of Technology Law*, forthcoming.

“When Online Recruiting is a Jurisdictional Hook: How Using Interactive Web Technology Gets e-Businesses Sued in Distant Courts,” *Journal of Strategic e-Commerce*, forthcoming 2003-04 (with P. Hsieh).

“Labor Law for Managers of Non-Union Employees in Traditional and Cyber Workplaces,” *American Business Law Journal* 827: Vol. 40(4), 2003.

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Mark Pagell

“Strategies of Supply Communities,” *Supply Chain Management*: Volume 8(4): pp. 291 – 303, 2003 (with J. Katz and J. Bloodgood).

2004

Austin Family Business Conference

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Visit www.familybusinessonline.org/programs/fbc.aspx or call 800.859.7609 or 541.737.6019 for more information.

Rene Reitsma

“Exploiting Engineering as a Unique Distance Learning Tool,” *International Journal of Engineering Education*, Vol. 19, pp. 379-388, 2003 (with L.E. Carlson, M.J. Brandemuehl, J.R. Hertzberg, J.F. Sullivan, S.G. Gabbard).

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“Loglinear and Multidimensional Scaling Models of Digital Library Navigation,” *International Journal of Human-Computer Studies*, volume 57: pp. 101-119, 2002 (with Battenfield, B.P.).

Zhaohui Wu

“Survey Research in Production/Operations Management: Historical Analyses and Opportunities for Improvement,” *Journal of Operations Management*: Volume 21(4): pp. 475-488, 2003 (with M. Rungtusanatham, T.Y. Choi, D.G. Hollingsworth, and F. Cipriano).

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Boris Becker

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“Listening to the Ambulatory Surgery Patient: Results from a National Study,” *Surgical Services Management*: Vol. 9(2), April 2003 (with D.O. Kaldenberg).

“Timeliness in Ambulatory Care Treatment: An Examination of Patient Satisfaction and Wait Times in Medical Practices and Outpatient Test and Treatment facilities,” *Journal of Ambulatory Care Management*: Vol. 26(2), April-June 2003 (with K.A. Leddy and D.O. Kaldenberg).

Retirements

Bill Becker, professor of marketing

Dave Gobeli, professor of management

Jonathan King, professor of management

Don Parker, professor of management



Faculty and students thank Bill Becker for 34 years of teaching during one of his last classes.



Dave Gobeli



Don Parker



Jonathan King



Bill Becker

Internships, Experience, Referrals Make Difference in Job Search

While many graduates have landed jobs after graduation despite high unemployment rates and a poor economy, it took more than a degree in hand to do it. Students we spoke with said internships, being involved, experience, knowing your professors, interview skills, and referrals made all the difference in landing their first jobs. Here is a sampling of where 2003 graduates have landed.

Carl Hoefler, '03, Freightliner application developer



"A professor referred this position to me. I then went to Career Services and applied. Overall, I think the teachers, group projects, presentation and MECOP program really helped me through my rounds of interviews. The experience I had in composing myself, formulating ideas in my head quickly and then conveying them, really helped prepare me well."



Erica Edgecomb, MBA '03, KPMG assurance associate

"I was an Accounting Ambassador and connected with KPMG at Meet the Firms Night during an accounting open house and applied with them through Career Services. I got the interview with a pre-dinner and passed the first round, but not the second. Over winter break, they called and asked me to do an office visit. I got a FedEx package before Christmas!"



Kelly Karsten, '03, Boeing business planning analyst

"I held an internship with Boeing my junior year working domestic relocations as a human resource specialist. Companies like Boeing look at interns for future employment because they are already trained, acclimated to the company culture, and have a better sense of what to expect of the corporate world. Interns have already proven their marketability by "making the cut" as only 200 out of 5,000 applicants were hired. With my knowledge in accounting, finance, and the other disciplines from classes taken during my junior year, I was familiar with business operations. Along with my internship, my background in all the disciplines complemented my marketing education enabling me to get this job."



Maria Vu, '03, Pepsi-Co (Frito-Lay division) operations manager

"After financing 100 percent of my education, I was anxious to get a job. For my job search, I approached Frito-Lay through Career Services. At the same time, even though I didn't ask for help, a professor sent a nice e-mail recommending me. Everyone in the advising office was also very helpful. We have great resources and job opportunities here at the COB. The mentorship program, resume reviews, Business Alumni Network (great for networking), the career symposium, etc. all help make getting jobs possible out of college."



Josh Dunlap, '03, KPMG tax associate

"I got the interview through Beta Alpha Psi Meet the Firm night and I didn't need to do anything beyond that. My experience

with COB made me more marketable. You get out of it what you put into it. I was involved in Beta Alpha Psi, OSU choir, orientations work, ASOSU, honor societies, the English Language Institute, and went on an exchange."

Angela Hoefler, '03, E. J. Gallo Winery sales representative



"I went to the Career Fair and found Gallo and got a couple of recommendations from talking with someone from Gallo who had graduated from the College of Business. All the class presentations I did putting together business plans and marketing plans really helped me to get this job."

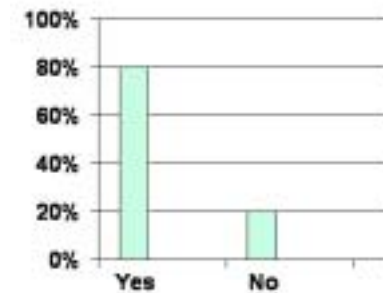
Brian Hall, '03, Cardinal CG tempering supervisor



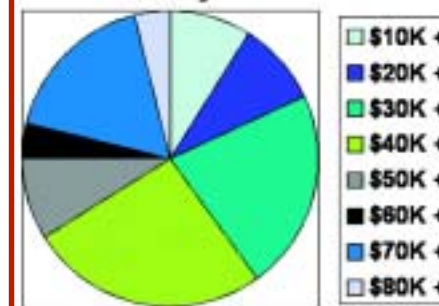
"I tried to differentiate myself from other job applicants. I studied abroad. I started my own business to pay my way through college. I used the resources at the COB to make my resume the best it could be. The plant manager from here graduated from OSU. Through my relationship with a professor, I learned about the interview. If I had not been involved and had a good relationship with my professors, I would not have had this opportunity." ♦

MBA Graduates Find Jobs in Tough Economy

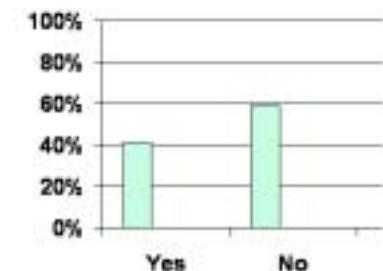
Are you currently employed?



Salary



Did your employer offer any additional incentives?



The College of Business polled 2003 MBA graduates with a 48 percent response rate. Employers of our MBA graduates include: Cisco Systems, Deloitte & Touche*, Duck Delivery, Ellis Boat Company, Granite Bay Golf Club, Hewlett-Packard*, James W. Fowler Co., JELD-WEN, KPMG, Moss Adams, Nike, Maritz, Oregon State University*, Peace Corps, Russell & Associates, Samaritan Health Services Lebanon Community Hospital, Sundberg, Raquch, Benneth, Horner & McFetridge CPA's, Teleplan, Texas-New Mexico Newspapers Partnership, and USDA Forest Service. (*More than one graduate is employed at these companies.)

Student Honors

The following business students received scholarships and/or awards for 2003/04. These opportunities for our students are made possible by the generous support of alumni, friends, and corporate sponsors, as noted.

Scholarships

Accounting

Chevron-Texaco

Christina Allen
Monny Dake
Danielle Denfeld
Rachel Herinckx

Deloitte & Touche

Adam Church
Jennifer Haley

KPMG

Luke Traver
Doug Wentworth
Ryan Kuenzi

Mary Ellen Phillips

Lisa Edgerton
Ian Lewallen

Moss Adams

Don Valdivieso

OSCPA

Erin Barnes
Rian Berg
Daniel Dodge
Rachel Freeman
Jeromy Goodpastor
Phuong Huynh
Ryan Kuenzi

Mari Lim
Cody Martin
Aric McKinnis
Angelica Phillips
Lindsay Roshak
Evan White
Robert Wolfer

PriceWaterhouseCoopers

Robin Sarrett

Stover Neyhart & Co

Matthew T. Snyder

Tektronix

Scott Leback
Julia Yeager

Family Business

Richard T. Harris

Lisa Grund
Rhonda Lim
Ryan Stanton
Hallie Stratton

McHenry Family Fund

Michael Weinstein

Reser Family Business

Grant Cyrus
Cody Gielish
Tony Lopez

Woodard Family

Catherine Dearborn

Brad McKinney
Benjamin Stockfleth
Sadler Education
Aric McKinnis

Finance

Portland Society of Financial Analysts

Emily Bickford
Financial Executive Institute
Diana Baumgartner

International Exchange

Payson Cha International Scholarship

Ingrid DeGroot
Lisa Edgerton
Benjamin Fay
Lindsay Jorgensen
Jennifer Kirkbride
Brian Lerfald
Mari Lim
Ryan McNulty
Erin Barnes
Erin Miner
Karen Robinson
Wendy Starker
Jill Trekell
John Zimmerman
Aaron Deen
Tony Lopez
Kristin Reyneke
Waylon Rich
Nathan Wutzke
Peter Stams
Leah Kelley
Walter Marchbanks
Joseph Penneman
Matthew Williamson
Christina Allen
Russel David
Kristopher Adams
Christopher Holland
Rebecca Thomas
Ryan Hildebrand
Benjamin Durdal
Daniel McKinley
Timothy Jakubowski
Steven Guidoux

Scandinavian Exchange
Diana Baumgartner
Erin Bates
Dana Bennett
Ramona Burkhalter
Andrew Ebert
Christopher Fromhart
Steve Gabriel
Mark Helmick
Juliana Johnson
Ryan Justus
Jasmin Khajavi
Nicole Main
Michael McCullough
Nicole Neuburger
Casey Pomeroy

Kevin Simmons
Michelle Simon
Mary Weis
Randall Yates

Management

Express Personnel

Michelle Dermody

MIS

Justin Bechen
Alisa Conklin
Melissa Schulz
Dinh Truong
Kevin Yeo
Andrew Kaiser

General Business

Ray & Neddra Anderson/ Beta Gamma Sigma

Alia Adams
Erin Barnes
Diana Baumgartner
Grant Cyrus
Lindsay Roshak
Mandy Ruhn
Melissa Schulz
Gretchen Taylor
Henry Willener

Helen Mae Cropsey Memorial

Alycia Hofmann

Marshall & Melissa Dawes

Joshua Kvidt

Glenn L. Jackson

Christina Allen
Christopher Bell
Araminta Brady
Jessica Brett
Erin Buxton
Jeff Cady
Sarah Caldwell
Amber Corcoran
Sean Deacon
Rebecca Doramus
Kyle Draeger
Shawn Eichner
Christopher Eley
Sean Garrett
Kristi Gienger
Nolan Gillespie
Brent Glogau
Braden Hammer
Heather Harris
Victoria Henriques
Alycia Hofmann
Katie Hopkins
Andrew Kaiser
Grant Kropf
Angela Lavenbarg
Aric McKinnis
Katie Neuschwander
Lacey Norberg
Joanna Popham
Kristen Purdy
Nicholas Rutledge



2003-04 MBA students kick off the year at the MBA welcome reception.

Cody Schrock
Kaysi Staller
Michael Sturn
Chad Takanishi
Lane Teller
Greg Thomas
Brandt Wadsworth
Randall Ward
Doug Wentworth
Brittany Werner
Deborah Wilbur
Melissa Wilson
Kevin Yeo
Ashley Younce

Edna M. Jessep Memorial

Merrilee Chapin
Christopher Eley
Andrew Kaiser
Angela Lavenbarg
Robert Meredith
Mee Ling Njoo
Lacey Norberg
Michael Sturn
Gretchen Taylor
Lane Teller
Dinh Truong
Randall Ward
Deborah Wilbur

Joe D. Lewis

Brandt Wadsworth
Ashley Younce

Jane Goodale Mann Memorial

Braden Hammer
Katie Neuschwander
Kaysi Staller
Michael Sturn

Louise Jackman Orner Memorial

Katie Neuschwander

Incoming Freshmen

Lucille Borigio Memorial FBLA

Richard Rich
Tiffanie White

Newcomb

Walden Au

Harold Cuffe
Jonathan Green
Kerry Miller
Teresa Miller
Scott Moyer
Sydney Nilan,
Zachary O Bryan
Kristen Ockenfels
David Phillips
Michael Powers
Claire Stewart

Awards

Accounting

OSCPA Outstanding Accounting Student
Kyle Worth

General Business

HP Leadership Award 2003
Justin Geddes

HP Graduate Leadership Award

Michael Smith

Management

Outstanding Student
Brian Hall
William Holm

Finance

Harley Smith Financial Planning Contest

1st place: Andrew Wheeler, Peter Bunce
2nd place: Courtney Koehler
3rd place: Jake Bakker, Joseph Donegan,
Adam Peck, Sam Niesslein
Financial Executive Institute
Medallion
Ryan Kuenzi



Beta Gamma Sigma Members Initiated

New members of the College of Business Beta Gamma Sigma honor society were honored at an initiation ceremony and luncheon on December 4, 2003. New members include seniors John M. Beckstead, Merrilee A. Chapin, Garrett E. Cudahey, Timothy A. Dobkins, Katie J. Hopkins, John Kinney, Joshua A. Kvidt, Debra M. Lewis, Matthew R. Marney, Margaret P. Swank, Luke M. Traver, and juniors Dorothy C. Benton, Kimberly C. Boyles, Adam D. Church, Danielle M. Denfeld, Braden C. Hammer, Jaycee D. Hiskey, Lacey K. Norberg, Kristen M. Purdy, Jamie M. Reznick, Zane N. Selbak, Matthew T. Snyder, Michael A. Sturn, Lane B. Teller, Kayla Truong, Doug H. Wentworth, Taylor A. Wilson, Ann E. Winger.

Legacy of Oldest Alumnus Lives On

When Ray D. Baldwin, Jr., died at the age of 103, leaving a bequest of \$5,000 to the College of Business, he was not only OSU's oldest graduate, he was one of only a handful of people in the history of mankind who have lived in three centuries and two millennia.



Ray Baldwin, Jr. at 100.

Baldwin was born on Sept. 11, 1899 in Marshall, Minn., at the close of the 19th Century, when horsepower came from horses and industry ran on steam. Though he flunked the physical for World War I, he lived a healthy, spirited life that spanned the 20th Century. He headed west to Oregon in 1919, graduated from OSU in '26, then returned to Marshall to co-own the best newspaper of its size in the nation. Baldwin's partner in the newspaper business was a student of renowned New York publisher Joseph Pulitzer, who established the Pulitzer Prizes for excellence in journalism.

Benton Hall Society

These alumni and supporters have made a provision in their wills or trusts to support the College of Business. If you have named OSU or the College of Business in your will or trust, contact Lori Sweeney at (503) 553-3405 or lori.sweeney@oregonstate.edu to be included on this listing.

Bob Bowin
Ron Coblantz '65
Shirley Brazille Droschkey '46
Fred Gaeden '69
John Gilleland '79
Scott Hildebrandt '78
Peter Potwin '72
Barnes D Rogers '53
G. Joyce Signer '47
Jackie Swint '50

Taking Off

While the business of news drew his attention to earthly affairs, Baldwin kept his eyes on the skies. He saw his first airplane in 1913, was one of the first passengers on Northwest Airlines and learned to fly in '51. He took his final stick (with assistance) at age 102 in a vintage World War II trainer and died with his expired pilot's license still in his wallet. Baldwin grounded himself from solo flying at the age of 87 because of his hearing, but he didn't give up his jet ski until he was 96.

Baldwin didn't wait for the global hoopla of the Third Millennium to throw a big party. He



Awardees of the Ray Baldwin, Jr. Scholarship: Ashley Clair, Lauren Goetzinger, Laurie Lenker, Lauren Nelson, and Mary Nelson.

celebrated his 100th birthday in Marshall, Minn., surrounded by family and 300 of his friends, then sat back and watched as the world ushered in the 21st Century – his second millennium.

"My father never aged," recalls Dr. Jerry Baldwin, a physician in Fargo, ND. "He never got old. I like to say that in life, he won."

The doctor attributes his father's longevity to a zest for life, a love of books – he read three or four at a time – and the nearly religious daily administration of a modicum of alcohol.

"You could set your watch by his 5 o'clock Manhattan," his son recalled.

Always Look Back

Ray Baldwin's peaceful passing in Fargo, N. Dakota, on Dec. 11, 2002 went unnoticed in Oregon, but in Minnesota his death was newsworthy. The Minneapolis television stations saluted his long life, the *Minneapolis Tribune* ran his obituary and Minnesota Public Broadcasting recounted his achievements.

The unexpected outpouring of attention left his son wondering if a publisher would be interested in reprinting his father's autobiography – titled *Looking Back* – which Baldwin self-pub-

lished in 1992.

As an OSU alumnus, Baldwin was always looking back. He did more than remember his school at the end of his life – he never forgot his alma mater during his life. He never missed a five-year reunion. He left \$5,000 to the Sigma Phi Epsilon fraternity and \$5,000 to the College of Business to be awarded as five \$1,000 scholarships.

In September the first five recipients of the Ray Baldwin, Jr. Scholarship walked through the doors of the College of Business assisted financially by a man born two centuries ago. ♦

Alumni Notes

2000 – Present

Greg Jackson, '03, is glad to be the new manager for AmeriTitle in Corvallis. This job came about at the fall career fair where he interviewed with AmeriTitle's parent company, JELD-WEN.

Nate Spencer, '03, recently landed his first professional job at Thermo Fluids Inc. of Sumner, Washington.

Stacey Axmaker, '02, is working as an independent contractor at her company Axman Consulting, Inc. in West Linn, Oregon. She is working in the field of training and development and is also enrolled part-time in Portland State's Certificate Program in Training Management.

Kyle Sullens, '02, is currently in the process of completing his MBA at Portland State. His employer, Standard Insurance Company, is paying to further his education. He graduated in 2002 in MIS.

Elizabeth Warnke, '02, is currently involved in brand marketing and promotions for Oberto beef jerky with the Oberto Sausage Company in Kent, Washington.

Todd Allen, '02, was married in Norway to a woman he met during the College of Business International Exchange Program. He is planning to stay in Norway for awhile to learn to speak Norwegian. Currently, he is working in business development at an oil and gas newspaper called *Upsream*.

Melissa Baldwin, '02, has been working at the OSU Federal Credit Union for two years. Since December 2002, she has been the information systems specialist in charge of the phone system, involved with new ATM research and installation,



The College of Business met with alumni and members of the business community during the first annual Oregon in Business Conference and Expo on November 6, 2003 in Portland. As the educational sponsor, the OSU COB had a booth presence and day-long conference line-up that drew participants interested in pursuing their MBAs, entrepreneurs wanting to learn how to develop a business plan, and family business representatives dealing with various business issues.

and helps with the network. On July 23, 2003, **Jeff Baldwin** (BS 1999, MBA 2002) and Melissa became parents for the first time. They had a beautiful baby boy, Joshua Glen.

Doug Barclay, '01, took an internship in marketing and special events for the Orlando Magic. RDV Sports, owner of the Magic, then offered Barclay the job of special events/game operations for the Orlando Miracle WNBA team. He then left the Miracle to take his current position with the Central Florida Sports Commission.

Jamie LeGore, '01, is working in the Oregon State University Office of Conferences and Special Events and was awarded the Outstanding New Conference & Event Professional Award in 2003 by the Association of Collegiate Conference and Event Directors-International. Also, in 2002 she was awarded the John Stotsenberg Award for Outstanding Service by the United Way of Benton County for her work on the Oregon State University Charitable Fund Drive, of which she is the coordinator for the campus. She recently published her first article in a national publication and has spoken at several national and regional conferences on event planning.

Brian Tol, '01, obtained an administrative position at Les Schwab Tire Centers in Central Oregon after a series of interviews. He has been extremely impressed, yet surprisingly busy, in the two and a half years he has worked for them.

1990-1999

Anthony Tripp, '99, worked for PacifiCorp following his graduation. In 2000, he quit and joined Deloitte & Touche where he spent time doing EDI for Nestle in Pasadena. In 2001, he re-

turned to PacifiCorp.

Tim Baggs, '98, is the existing Regional Manager for Rockstar Energy Drink. He also is the co-founder of Liquid Vodka, which was extremely successful in the first week of sales in comparison with other national brands.

Kurt Ergene, '95 MBA, has worked in sales for many companies including Fujitsu Semi, Oracle, SAP, and BEA. Currently, he is semi-retired buying and selling real estate. He would love to network and help others connect with jobs.

Kristen Cutting Yoerger, '93, gave birth to her first baby, Carson Michael Yoerger, on Friday, October 24, 2003. She and her husband, Dave, are adjusting to life with a newborn, and Kristen is enjoying her maternity leave and being able to spend lots of time with the baby.

Jesse VanderZanden, '92, recently became the director of the Fairbanks International Airport after serving as the director of the Alaska Outdoors Council in Fairbanks. He currently lives in North Pole, Alaska.



Larry and Diane Jarvi, both '92 MBA graduates

Diane Jarvi (Denning), '92, and new husband, **Larry Jarvi**, '92, began dating as they finished up the OSU MBA program. In June 2003, they had a private wedding in Hawaii and returned home to sell their houses

and start their life together. Diane is a student advisor and MBA coordinator for the OSU College of Business. Larry is now working as a programmer analyst.



Associate COB Dean James Coakley meets with alumni at a Business Alumni Network meeting in Wilsonville.

1970-1989

Jeff Hunt, '89, is currently living in San Francisco with his wife and two children. After running a \$30 million wholesale distribution company, he is now consulting on his own. He loves strategic planning, business planning, leadership development, team building, business development, and general management consulting. He is looking for new clients and/or opportunities; employment or contract, full- or part-time. He put many of the skills he learned from the family business program to use when running his family business for several years.

JoNell Hermanson, '88, was recently promoted to vice president, sales support at M Financial Group in Portland. She was previously the director of product development and sales support.

Brad McMahon, '88, was recently featured in the Oregon Fast 50, a survey conducted by Deloitte & Touche which identified the 50 fastest-growing technology businesses in Oregon. He is the vice president of corporate development of Unicru.

Trent Anderson, '87, is the chief operating officer of Integra Telecom in Beaverton. He was previously CEO of SkyRiver Communications of Lake Oswego.

Wesley Edens, '84, is currently the CEO and chairman of several companies including Fortress Investment Group in New York City. The company manages \$4 billion in capital for large investors such as the state of Oregon, General Motors, and more. Another main focus is private equity.

Lon Leneve, '79, is currently the Chief Financial Officer of Compli in Portland. He previously served as president and COO of Copper Mountain Trust.

Tad Davies, '78 MBA, is the 2003-2004 OSU Alumni Association President. He is a member of the OSU Foundation Board of Governors; a board member of Albany General Hospital Foundation; and a board member and treasurer of Al-

bany Public School Foundation.

Peter Swartz, '78 MBA, was recently featured in the Oregon Fast 50, a survey conducted by Deloitte & Touche which identified the 50 fastest-growing technology businesses in Oregon. He is the vice president of EPIS Inc.

Mark Kralj, '78, has been a principal and portfolio manager at Ferguson Wellman Capital Managment, Inc. since 1989 after being a portfolio manager at First Interstate Bank. He is a member and was past president of the Portland Society of Financial Analysts. Kralj is also a trustee and chairman of the finance committee for the St. Vincent Hospital Foundation; on the board of trustees and chairman of the planning giving committee for the Oregon Symphony Foundation; chair of the investment committee for the American Red Cross Oregon Trail Chapter; and incoming chair of the OSU Foundation Board of Trustees.

Duane McDougall, '74, is the former chair of the OSU Foundation Board of Governors and former CEO of Willamette Industries. He recently joined the board of directors at Greenbrier Companies, Inc. in Lake Oswego.

Stephen Bailey, '70, was recently featured in the Oregon Fast 50, a survey conducted by Deloitte & Touche which identified the 50 fastest-growing technology businesses in Oregon. He is the senior vice president of finance at FLIR Systems, Inc.

Dennis Powell, '70, lives in Saratoga, California and was recently promoted to chief financial officer at Cisco Systems in San Jose, California. He previously held the position of vice president of corporate finance and has been with Cisco for six years.

Jon Mitchell, '70 MBA, now lives in Medford and is the president and CEO of OMPRO. OMPRO is an organization dedicated to improving healthcare located in Portland. He was the vice president for university relations at Southern Oregon University prior to working for OMPRO.

1955 - 1969

Larry Boeck, '69, is the owner of Boeck and Associates in Medford and was recently elected president of the board of directors of Providence Community Health Foundation.

Doug Pease, '68, was recently named the chief financial officer of Costa Pacific Communities in Wilsonville, a real estate development company. He previously was the controller for Sonus-USA Corporation in Portland.

John Sweet, '64, is marketing manager for Sause Bros. Inc. in Coos Bay and was recently

elected to the Ford Family Foundation board of directors.

Neva Campbell, '55, a partner at Schwabe, Williamson & Wyatt, P.C., was recently awarded the prestigious 2003 James B. Castles Leadership award. She is the first woman to receive the award that is given annually by the Oregon State Bar Business Law Section. This award is given to those who excel in the "practice of corporate law, professionalism among fellow business layers and outstanding community leadership." Before retiring, Campbell was a successful corporate, real estate and land use lawyer. She was also one of the first women to become partner of a large Portland law firm.



Adviser Mike Rainbolt visits with COB alumni at a Business Alumni Network meeting.

The Exchange

The Exchange newsletter is published for alumni, business partners, students and friends of the OSU College of Business.

To contact the editor with story ideas or comments, e-mail exchange@bus.oregonstate.edu or write to *The Exchange*, 200 Bexell Hall, Corvallis, OR 97331-2603.

To subscribe for *The Exchange Online* go to www.bus.oregonstate.edu/news/enewsletter.htm

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www.bus.oregonstate.edu

SEND US YOUR NEWS!

We want to hear from you and share your news and accomplishments with other alumni and friends in the next issue of *The Exchange*.

Let us know of your promotions, transfers, special honors, and personal news by e-mailing exchange@bus.oregonstate.edu. Please put Alumni Update in the header. You can also send us your information online at http://www.bus.oregonstate.edu/alumni/alumni_notes.htm.

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the exchange

Newsletter of the College of Business at Oregon State University >> Spring 2004

OSU Student Entrepreneurs Emerge

As if being a full time student is not enough, the speakers at an Entrepreneurship Club meeting demonstrated that studying and running their own businesses can go hand in hand. Roshan (Roach) Khemlani, founder of Roachwear (roachwear.biz), and TJ Robertson, founder of everylist.com, enlightened aspiring entrepreneurs with their stories.



Student entrepreneur and COB freshman Roshan (Roach) Khemlani

Khemlani explained how he successfully runs a clothing company while balancing the workload of his freshman courses in the College of Business.

His idea for Roachwear originated in high school when Khemlani chose to do a senior project on entrepreneurship. A portion of the project was interviewing successful business owners such as

his father, Kash Ross of Kash Ross custom clothiers and Hong Kong Tailors, to get a glimpse of what it takes to excel in the risky entrepreneurship world. The project gave Khemlani a strong desire to be his own boss which inspired the development of Roachwear.

Roachwear is a custom clothing company targeted toward students. "Roachwear transforms basic clothing and other products into unique gear with logos and phrases to fit the individual customer's needs," said Khemlani. "Roachwear products are perfect for local restaurants, businesses, fraternities, and sororities."

According to Khemlani, "The hardest thing to do was getting started." He began the business before having all of the necessary screening supplies, forcing him to go through a third party which in turn weakened revenue. After purchasing the necessary equipment, profit from each item increased dramatically.

The company currently designs and manufactures the official clothing of Hi Rollerz Records, a hip-hop recording company. Khemlani explains, "When their name goes big, our name goes big." Roachwear also recently produced a clothing line for Tony's Pizza Palace, a pizza/huka bar in Portland, and is currently selling his products there. He is also working on a web site that will enable customers to create their own wardrobe online, as well as developing an international presence. *(Continued on page 7)*

COB Spring 2004 Calendar

(See COB web calendar for more details)

- Tuesday, May 11 Spring Business Alumni Network Meeting featuring Joseph Lobbatto, Accenture IPO founding partner
- Wednesday, May 12 6 p.m.: Bridgeport Brewery, Portland; RSVP: 5541-737-3216
COB BAC Alumni and Business Partner Awards
5:30 p.m. Reception, 6:30 p.m. Dinner & Awards
Downtown Portland Embassy Suites; RSVP: 541-737-2219
Business Killers: Keep Your Business Alive for Generations
Vancouver, WA; 8 - 9:30 a.m.; RSVP: 541-737-3326
- Thursday, May 13 Business of Pharmacy Conference
OSU, Richardson Hall 107; 8:15 a.m.; RSVP: 541-737-4015
- May 14 & 15 Accounting Continuing Professional Education Day
CH2M HILL Alumni Center; 8:30 a.m.; RSVP: 541-737-4276
- Friday, May 21 Weatherford Hall Student Tour; RSVP: 541-737-4771
- Friday, June 4 Golden Jubilee; CH2M HILL Alumni Center
- June 4 & 5 MIS Graduation Banquet, MU 109; 2 - 4 p.m.
- Saturday, June 12 OSU Commencement & COB Graduate Celebration
- Sunday, June 13 Applied Business Certificate Program
- June 14 - 25 OSU; 8 a.m. - 5 p.m.; RSVP: 541-737-4276
- June 17-19 Austin Family Business Conference
Welches, OR; RSVP: 541-737-3326

A complete Austin Entrepreneurship Program update can be found on page 4.

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COLLEGE OF BUSINESS