

# KELLOGG

- 18 Just Win, Baby**  
Inside Kellogg's venture competition machine
- 27 Inside New York**  
Bankers discuss investing in today's market
- 46 Corporate Response**  
Established companies respond to startups

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**Fall/Winter 2015**  
VOL. 23 ISSUE 1



## TESLA MODEL S

Tesla's latest version of the Model S covers 270 miles before it needs a charge. That's the same mileage as a conventional car and double that of Tesla's next competitor in the electric vehicle market. Add to that Tesla's award-winning design, performance, growing network of charging stations and enhanced capabilities — most electric vehicles take an overnight charge; a Tesla recharges in 30 minutes — and you can see why **Diarmuid O'Connell '96** thinks every other electric car on the market looks like a toaster.

As vice president of business development at Tesla Motors for nearly 10 years, O'Connell has pleaded — even taunted — the auto industry to make an electric car that rivals Tesla's. What's stopping them? An industry dominated by lowest-common-denominator ambitions, he suggests, leads to designing a fleet of cars that won't attract shoppers.

Maybe that's why Tesla is giving away its formula for a great electric vehicle. It's ditched the idea of intellectual property, made its patents public and won't initiate patent lawsuits against anyone who uses its technology in good faith. The move is not to dominate the market, he said in a blog post, but to upend it, create a new status quo and “catalyze a mass market for electric vehicles, either with our own cars or by inspiring competition by other manufacturers.”

PHOTO BY ANTON WATTS / TESLA MOTORS





**TRANSFORMATIVE INNOVATION**

Innovation moves at a breakneck pace. Those who figure out what's coming and quickly adapt could upend the market and disrupt an industry. The question is: *How do you change the game?*

**COVER STORY**

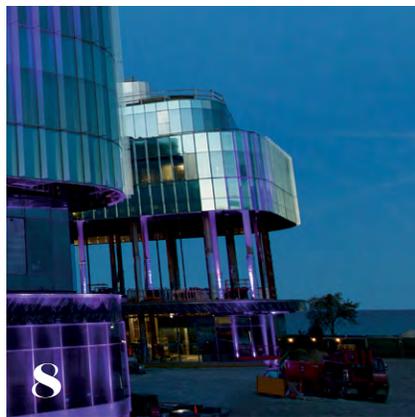
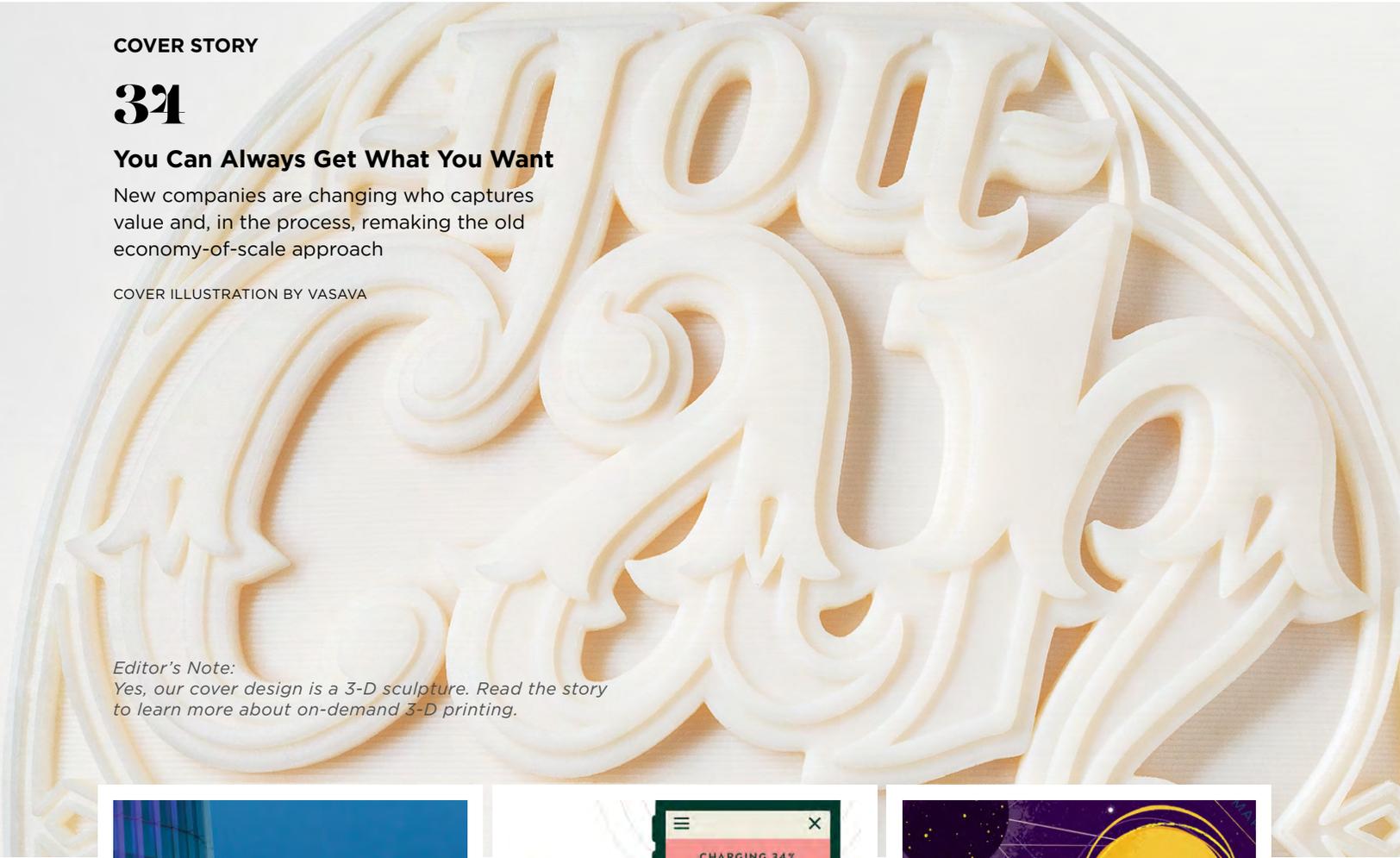
**34**

**You Can Always Get What You Want**

New companies are changing who captures value and, in the process, remaking the old economy-of-scale approach

COVER ILLUSTRATION BY VASAVA

*Editor's Note: Yes, our cover design is a 3-D sculpture. Read the story to learn more about on-demand 3-D printing.*



**8**  
**The Road to 2020**  
Kellogg continues to pioneer business education



**10**  
**The Revolution Will Be Programmable**  
Connecting markets to networks can net huge profits



**16**  
**Pulling a Corporate Counterpunch**  
As startups push their way into the marketplace, established companies seek new competitive responses

## INSIDE: INVESTMENT BANKING NEW YORK

- 27 The New Normal**  
Christina Minnis '92 deals with new regulations
- Playing the Market... For Real**  
Students manage a \$7M portfolio

**Moving M&A out of NY**  
Gary Parr '80 focuses on oversea mergers



## THE ASK

- 5 Are You Really Looking for the Best?**  
Faculty weigh in on bias in hiring practices

## EXPERT OPINION

- 24 Health Care Exchanges Likely to Expand**  
Court decision could lead to broader use of exchanges

## BRAVE THINKERS

- 16 John Wood '89**      **32 Jenny Lee '01**  
**44 Charlie Baker '86**      **54 Diana Nelson '89**



## HEADLINES

- 6 Engaging the Alumni**  
Shane O'Brien '05 looks to strengthen Alumni Relations
- 7 In Top Form**  
Kellogg teams rack up more competition wins

## KELLOGG INITIATIVES

- 24 The Science of Social**  
Data cuts through human bias to reach conclusions

## MY IDEA

- 76 Electrifying Your Base**  
Utility smart-data MeterGenius finds new ways to engage its customer base

## 57 ALUMNI WIRE

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### The New Innovation Landscape

Innovation is more worthwhile when there are more potential customers. And innovation is easier when the barriers to entry fall.

When markets scale up, or entry barriers go down, more companies and entrepreneurs ramp up their efforts to innovate. That's exciting for consumers the world over. But the opportunity for businesses is also a risk. More innovation means more disruption, too.

Businesses today are caught in important trends that are feeding the fires of corporate creativity and the creative destruction that ensues.

And the prize for the innovator only seems to be going up. The world is full of "new" customers. In China, India and other emerging markets, rapidly expanding incomes are bringing billions of new customers into the global marketplace. Products like smartphones increasingly play in a global tournament where winners win big and incumbents can be quickly replaced.

Separately, existing customers have been reassembled into larger, easier-to-reach groups, typically through Internet platforms. Whether e-commerce via Amazon, or mobile-assisted interactions via Uber, it is increasingly easy for buyers and sellers to find each through high-scale, virtual marketplaces. Formerly local or "niche" markets look increasingly big and appetizing.

The unrelenting challenge for corporations is to innovate and stay ahead of the crowd. Innovation is key to winning market share and avoiding corporate destruction.

Kellogg aims to help business leaders stay on the cutting edge by sharing our research on what it takes to ignite innovation, from courses in our Full-Time, Part-Time and Executive Education programs to our recent *Forbes* series ([kell.gg/ForbesVoice](http://kell.gg/ForbesVoice)) on how venture thinking can spark innovative products that create lasting value.

Kellogg faculty and alumni share their efforts and insights in this issue, examining these new market developments and devising new ways for companies to respond and grow.



**Benjamin F. Jones**  
Gordon and Llura Gund Family Professor of  
Entrepreneurship  
Faculty Director, Kellogg Innovation and  
Entrepreneurship Initiative (KIEI)

# ARE YOU REALLY LOOKING FOR THE BEST?

Faculty weigh in on bias in hiring practices

LAUREN RIVERA & NICHOLAS PEARCE

While diversity and inclusion initiatives have become a mainstay within many companies, the choice to hire one candidate over another still comes down to whom the hiring manager likes the most. Or rather, with whom they prefer to work.

**Lauren Rivera** and **Nicholas Pearce** have made a career of researching that bias. An associate professor of management and organizations, Rivera focuses on hiring and social inequality. Pearce, a clinical assistant professor of management and organizations, works to get “to the bottom of a puzzle around what helps organizations grow,” he says.



**LAUREN RIVERA**  
ASSOCIATE PROFESSOR OF  
MANAGEMENT AND ORGANIZATIONS

Before Kellogg: PhD in Sociology  
at Harvard University

**WILL BIAS ALWAYS EXIST  
IN HIRING PRACTICES?**

“Bias will always be there because it is part of our psychology. But you can put in place structures and practices that make it less likely that people will act on them, and that’s the key.”

**Why do hiring managers skew toward hiring a particular type of applicant rather than hiring based on talent?**

**Rivera:** Hiring managers think they’re hiring based on talent, but when left to their own devices, tend to define talent in their own image. People are looking for employees who will succeed and thrive, but our views are skewed by cognitive biases and stereotypes that make it hard to see talent that’s different from our own.

**Pearce:** People tend to esteem and prefer others who share social identities with them, like race, religion or gender. This can cause hiring managers to confuse how similar an individual is to them with how well an individual will perform. This is especially true in organizations that lack diversity in the management ranks, where it is easy to reach the false conclusion that the only people who have what it takes to succeed are the type of people who are already there.

**How can job applicants combat hiring bias?**

**R:** It’s hard to prescribe one strategy that works all the time because you may not know who is interviewing or evaluating your résumé. Do due diligence before the interview and find out something about your interviewer and draw upon commonalities you share. If you know about your interviewer, you can highlight things that resonate with them.

**P:** Hiring bias can be difficult to spot by the jobseeker, but being aware of stereotypes that are likely against you when you submit your résumé or walk in the door can be an important first step. I would suggest trying to establish common ground early in the conversation by exploring shared values, interests or experiences that can serve as social glue to signal your trustworthiness and potential for success in the organization.

**Is there a benefit for managers to hire dissimilar applicants?**

**R:** A lot of major law firms only hire people from the top 10 or 20 law schools with the idea that if a candidate didn’t go to those schools, they won’t be able to cut it. But there’s evidence to suggest that graduates from most elite law schools are more dissatisfied on the job and want to leave very early on. So sometimes our lay theories on what makes a good hire are just theories.

**P:** Potentially. Diversity of functional expertise confers clear benefits when it comes to performing complex tasks, but many organizations struggle with whether the benefits of social diversity are worth the pain. Diverse hires often provide fresh perspectives, which can facilitate sharper decision-making and more innovative problem-solving, sometimes at the expense of comfort and social cohesion. At the same time, hiring diverse talent without ensuring that there is an organizational ecosystem to support their success can be counterproductive.

*Interviews condensed and edited for clarity.*



**NICHOLAS PEARCE**  
CLINICAL ASSISTANT PROFESSOR OF  
MANAGEMENT AND ORGANIZATIONS

Before Kellogg: Leadership Fellow  
and Program Coordinator, Center for  
Leadership, Northwestern University

**WILL BIAS ALWAYS EXIST  
IN HIRING PRACTICES?**

“As long as human beings are involved in the decision-making process, there will be bias. But as leaders develop cross-cultural competence, they can become more proficient at interrupting their own bias before it manifests in discriminatory behavior.”

BY DUSTIN J. SEIBERT ILLUSTRATION BY NICOLE LEGAULT



## ENGAGING THE ALUMNI

**SHANE O'BRIEN '05** LOOKS TO STRENGTHEN ALUMNI RELATIONS AS ITS NEW SENIOR DIRECTOR

For many schools, alumni engagement is relegated to quarterly updates and reminders to register for Reunion. But at Kellogg, the alumni are key to Kellogg's progress, from being the engine of the school's recruiting and top-of-class job-placement efforts to providing key financial support.

Shane O'Brien should know. As both an alumnus and Kellogg's former senior director of financial planning and analysis, O'Brien oversaw the financial aspects of Kellogg's strategic plan — the new building in particular. He plans to use this total Kellogg strategic perspective to shape alumni engagement.

O'Brien spoke with Kellogg about his new role and his plans to bolster the school's alumni network.

**K:** How are you adjusting to the new role?

SO: With a grossly overdue wardrobe update. Surprisingly, Alumni Relations involves a wider spectrum of events than Finance.

**K:** What's been your main focus since joining the Alumni Relations team?

SO: Listening. Not just to alumni, but to the faculty, students and long list of Kellogg departments who partner with alumni to achieve their objectives. While I have a strong team, we will need the help of that entire community to achieve our goals. Along the way, I have collected a long and varied list of definitions for the word *engagement*. For some, it is connecting regularly with classmates. For

others, it is having access to Kellogg faculty research and the latest thought leadership. We need to find ways for these varied engagement definitions to happen efficiently and routinely.

**K:** Why is alumni engagement so important to Kellogg's present and future?

SO: Alumni are involved in almost every aspect of the Kellogg model. Their active, collaborative participation is critical to Kellogg's achieving its short- and long-term goals. As an alumnus, I want the community that I worked to join and of which I am proud to be a member to thrive. It is that sense of commitment to the community that makes the Kellogg model work.

**K:** What's next for Alumni Relations?

SO: Working with our partners across Kellogg and in the alumni community to focus our efforts. The possibilities for projects are numerous, so we have some work to do to pick where and when we play. If we succeed, our direct involvement in the varied forms of engagement should move to the background as they start to happen naturally and regularly across the community. The more people we have helping out others across the community, the stronger the Kellogg model.



Visit [kelloggmagazine.com](http://kelloggmagazine.com) for an extended version of our interview with Shane O'Brien.

# IN TOP FORM

KELLOGG TEAMS RACK UP MORE COMPETITION WINS

Kellogg ended the 2014-15 academic year with major wins in several entrepreneurial and finance competitions

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## NORTHWESTERN UNIVERSITY VENTURE CHALLENGE

Kellogg students won nearly \$100,000 at the June competition. The challenge celebrated the most innovative and promising student startups by providing capital and mentorship to winners in five categories. These startups won in their respective categories as well as placing first, second and third overall:

### Opticent Health

*\$45,000 for first place in the Life Sciences and Medical track and first overall*

**Kieren Patel** and **Shane Parkhill**, both '16, won for their noninvasive imaging technology that creates 3-D eye models that are used to create eye-monitoring devices.

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### GTrans

*\$30,000 for first place in the Green Energy and Sustainability track and second place overall*

**Durgendra Singh '16** and McCormick School of Engineering graduate students **Zhiyuan Sun** and **Joseph Arnold** won for GTrans, a thermally responsive polymer clay separator that will increase the safety of Li-ion batteries.

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### MDAR Technologies

*\$25,000 for first place in the Business Products track and third prize overall*

**Jesse Chang** and **Chris Gezon** (both '16), McCormick School of Engineering graduate student **Nathan Matsuda**, and **Marc Gyongyosi** (WCAS17) developed a 3-D scanning method that enables autonomous vehicles to see faster and more accurately in inclement weather.

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## Best impact investment

UNIVERSITY OF PENNSYLVANIA  
WHARTON SCHOOL  
MIINT COMPETITION

For the second straight year, a Kellogg team won Best Impact Investment at the April competition, in which students analyze real-world startups that make a big impact on society and show great investment potential.

**Alexandra Korijn '15**, **Ashley Luse '15**, **Blair Pircon '16**, **Duda Cardoso '16**, **Jamie Lu '16** and **Rebecca Sholiton '16** presented Infiniteach, an autism education digital platform. The win qualifies Infiniteach for a \$50,000 investment.

No 1

IVEY BUSINESS  
SCHOOL'S  
BEN GRAHAM CENTRE  
INTERNATIONAL STOCK  
PICKING COMPETITION

**Will Manderscheid**, **Alex Acosta** and **Anish Pasari** (all '15) took the top prize of \$10,000 at the April competition, where students had to evaluate different stock options and convince a panel of investors to either buy or not buy the stock, using the most compelling investment thesis.

## WAKE FOREST UNIVERSITY SCHOOL OF BUSINESS MARKETING ANALYTICS SUMMIT

A five-person team took first place and \$20,000 at the April competition, in which teams had to create a strategy that would increase in-store mobile use through habituation, value to the customer and utility to the retailer.

One-Year graduates **Adam Hirschkatz**, **Marissa McGann**, **Nick McGann**, **Yajur Kapoor** and **Alex Bourdeau** (all '15) developed a four-part strategy that called for in-store mobile marketing, a mobile app for promotions, a personalized loyalty program for customers and an analytics engine for insight into customer behavior.



# *THE ROAD TO 2020*

FIVE YEARS INTO ITS TRANSFORMATION,  
KELLOGG HAS PROVED ONCE AGAIN THAT IT IS  
A PIONEER AMONG BUSINESS SCHOOLS.



**KELLOGG HAS LONG BEEN A PIONEER OF BUSINESS EDUCATION.**

Its breakthrough research in marketing, game theory and negotiations; its teamwork approach to teaching; and its innovative degree portfolio have distinguished the school for decades. But as the business landscape changed — and as competition grew more intense — Kellogg saw that it needed to innovate once again.

Over the last five years, the school has done more than innovate — it has committed itself to transformation. Kellogg has embarked on a plan to invest in its faculty, expand and enrich its curriculum, strengthen its global presence and deepen its commitment to its unique brand and culture.

“Our goal in undertaking this work was to cement Kellogg’s legacy for the next generation and ensure our place on the 2020 global short list of premier business schools,” says Dean Blount.

“The transformation has been incredibly fast,” says Tim Simonds, chief marketing and engagement officer. “You don’t often see this pace of change in higher education — or even in most corporations.”

And the effort is already paying off. Faculty research is robust, the quality of students continues to rise and the school’s global presence is stronger than ever. “In every major area the metrics are pointing in the right direction,” says Simonds.

# Listening to the Market

DEAN BLOUNT REFLECTS

Kellogg's transformation began with a six-month listening tour that included conversations with thousands of alumni, faculty, students and business leaders in cities around the world. This dialogue and the insights gained were foundational to developing Kellogg's 7-Year Plan for Transformation. Dean Blount reflects on Kellogg's progress.

## How would you characterize Kellogg's progress against the 7-Year Plan (2011-2017)?

We're in the middle of year 6, and I'm awed to report that the Kellogg team — faculty, staff and students — has already achieved every change management goal that we set. All that is left is the new building. And we have done this not just by charging ahead, but throughout the process we have taken time to reflect on our performance to determine if adjustments were needed along the way.

One great example was rethinking how we recruit women to our full-time program. We hadn't made the progress we wanted, so a year ago we stopped to re-strategize. It seemed to us that we should be leading the field. Our revised strategy emphasizes Kellogg's value proposition for women, highlighting how Kellogg provides the knowledge, skills and network women need to reach their fullest potential. We partnered with the Women's Business Association to create a variety of meaningful touch points with prospective students, ranging from Women's Preview Day, which includes sample classes and student panels, to alumnae dinners that connect students with senior women business leaders.

## What has impressed you the most in the last 5 years?

If I had to pick three, I'd say: the four caliber of people we've recruited to Kellogg as faculty, administrators and students; the ambitious design of the new building, which will transform how we teach, learn and engage with each other; and the incredible response to our fundraising outreach, not just for the building, but also for scholarships and wonderful new programs, like the Zell Scholars. The generosity of Kellogg's alumni and friends has wildly exceeded my expectations.

## How has Kellogg continued to be a pioneer in management education?

While all the changes matter, launching the strategic initiatives, which create a cross-disciplinary matrix with our six academic departments, has been a truly defining endeavor. The strategic initiatives have broken down disciplinary silos — fostering new dialogues, connections and thinking

and jump-starting a new level of innovation in our courses. For example, through our Markets and Customers initiative and with input from employers, we totally revamped and expanded our data analytics curriculum, which is now industry-leading.

## What has been the biggest learning?

If making change happen is hard, making change stick is even harder. It takes persistence to develop the right performance goals and metrics across our diverse teams. I've never been part of a management team that took metrics, beyond financial measures, as seriously as we are now taking them at Kellogg. This performance focus has accelerated our trajectory in admissions, career management, Executive MBA, facilities — you name it. We will continue to drive that discipline as we complete the 7-Year Plan and embed these changes into our culture.

## What are your priorities going forward?

Fundraising and faculty development win — hands down! Fundraising is moving along nicely and has its own momentum, but it will still take time. My major focus will be on working with my colleagues to design and launch an ambitious faculty development plan — one that re-visions what our faculty will look like in 2020, 2025 and 2030. That is, how do we best find and enact a new intellectual vision for this century — what new ideas and areas of study should we begin to invest in and what should we begin to back off from? The world has changed profoundly since 2000 — economically, politically and socially. How we organize and invest as intellectual leaders needs to be deeply studied.

## What excites you most about the future?

The new building is on the top of my list, because it is finally becoming tangible. I'm also very excited about the work we're doing with Northwestern University. I am the co-chair of the Global Strategy Task Force for the university, where we are rethinking Northwestern's global connections and impact. It's an honor to be leading this effort and critical to the future of both Kellogg and NU.

SALLY BLOUNT '92 RETURNS TO KELLOGG AS DEAN

KELLOGG UNVEILS 7-YEAR PLAN

NEW SERIES OF C-LEVEL PROGRAMMING DEBUTS WITH MARKETING LEADERSHIP SUMMIT

STRATEGIC INITIATIVES LAUNCH

2010

2011

2012

# Innovating TO MEET DEMAND

A key part of Kellogg’s transformation has been to once again innovate and enhance its portfolio of degree programs.

“All along, the focus has been on bringing the best and brightest to Kellogg and connecting them to the right programs,” says Betsy Ziegler, who was recently appointed Kellogg’s chief innovation officer after four years as associate dean overseeing MBA operations. “And we do that by listening to the market. We have always believed that business education is not one size fits all.”

To better address market demand, Kellogg has built on its strong foundation of flexible degree offerings. The One-Year

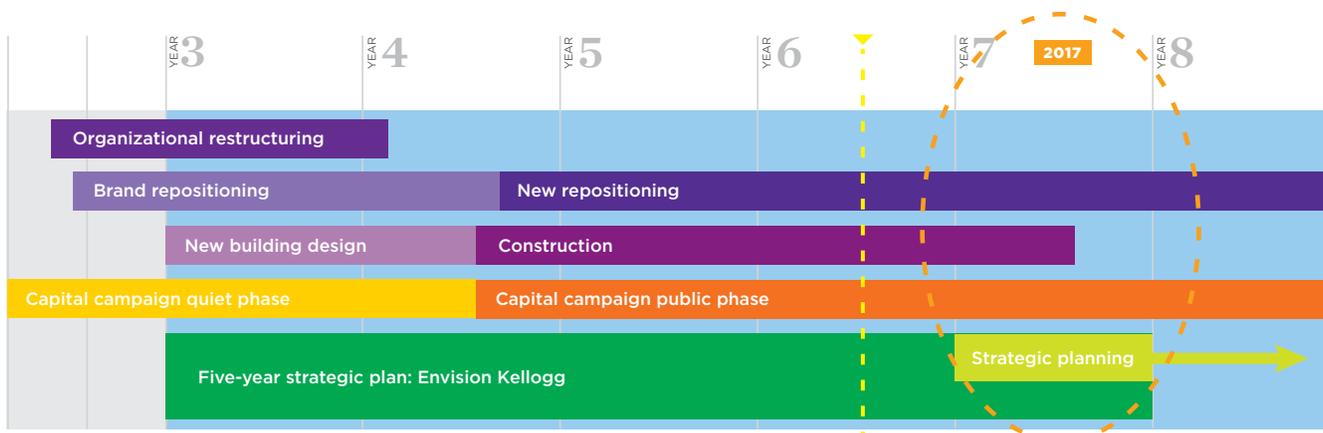
MBA Program – first introduced in the 1960s – has expanded by 20 percent in just the last five years. Its three-year JD-MBA remains extremely popular. And its pioneering MMM Program now offers a dual degree in business and design innovation.

Kellogg has also launched a new MS in Management Studies program, which is designed to equip recent college graduates – especially liberal arts and science majors – with specialized management and business skills in less than one year.

Ziegler says the demand for business education (up 50 percent over the past 10 years) and the spread of online degree programs has pushed Kellogg to experiment more with blended learning formats and to share exciting course material through massive open online courses.

“For us, it’s not about online degrees,” she says. “It’s not about headcount or margin. It’s about using technology to further enhance face-to-face learning. After all, we built our reputation by enriching the student experience.”

## 7-YEAR PLAN FOR TRANSFORMATION



FIRST KELLOGG BRAVE LEADER SERIES CONVENES WITH IRENE ROSENFELD, CEO OF MONDELÉZ

KELLOGG KICKS OFF PUBLIC PHASE OF \$350M CAPITAL CAMPAIGN AND BREAKS GROUND ON GLOBAL HUB

# ADDING A *second* DIMENSION

While enhancing our degree portfolio, Kellogg has also taken a new, distinctive approach to thought leadership, faculty research and curriculum development.

“We are, and always have been, a general management school with a strong focus on the customer,” says Thomas Hubbard, the Elinor and H. Wendell Hobbs Professor of Management and former senior associate dean in charge strategic initiatives. “But we needed to do a better job of conveying that and showing how this produces students who can ascend quickly into leadership positions within their organizations.”

Kellogg’s response was to create four new initiatives — Markets and Customers, Innovation and Entrepreneurship, Architectures of Collaboration and Public-Private Interface — that cut across academic departments and offer a platform for addressing emerging business problems in novel ways.

“What the initiatives did was augment all of the great things we were already doing,” Hubbard says. “The purpose was not to supplant the disciplines, which are absolutely necessary. But

having this second dimension allows us to talk about business challenges in ways that resonate more with practitioners. And it helps to make things happen across departments.”

The strategic initiatives have been a platform for thought leadership on a range of issues facing practitioners — from data analytics to growth and scaling — as well as cutting-edge research on topics such as engendering trust in organizations and markets, and human-machine partnerships. In the same spirit, Hubbard encourages faculty to share more of their expertise with the broader Kellogg community and beyond. “I often tell my colleagues, ‘What you publish as research is only a small fraction of what you know, and people value what you know.’”

The cross-disciplinary approach is also emphasized in the new curriculum. Within three years, Kellogg launched more than 55 new courses — including three on data analytics, 16 on entrepreneurship and seven on growth and scaling. It also put more emphasis on faculty immersion trips, where Kellogg professors visit leading companies to address emerging issues (how Facebook manages analytics; how Kaiser Permanente builds its culture into its operations) and incorporate their findings into their courses and research. “Part of the innovation was enabling faculty and practitioners to learn more from each other,” Hubbard says.



**Dimitris Papanikolaou**  
*Associate Professor of Finance*

Two-time winner of the Amundi Smith Breeden Award for best paper in the top-ranked *Journal of Finance*. Conducts cutting-edge research on surprising investment behaviors — for example, what makes people choose to invest in “growth firms” like Uber or Facebook over “value firms” like General Electric.



**Adam Waytz**  
*Associate Professor of Management and Organizations*

Received the 2015 Early Career Award from the International Social Cognition Network for his research on the role corporate culture plays in condoning unethical behavior, and how leaders can learn to foster trust within their organizations.



**Eric T. Anderson**  
*Professor of Marketing*

Received the 2014 Paul E. Green Award from the *Journal of Marketing Research* for his study of online product reviews, which found that a company’s most loyal customers will sometimes write negative reviews of products they have never purchased.

REVAMPED MMM PROGRAM FOCUSES ON CORE BUSINESS SKILLS AND DESIGN INNOVATION

ENROLLMENT OPENS IN MS IN MANAGEMENT STUDIES PROGRAM

EXECUTIVE MBA GLOBAL NETWORK EXPANDS TO INCLUDE GUANGHUA SCHOOL OF MANAGEMENT

**CROSS-DISCIPLINARY  
THOUGHT LEADERSHIP**



**Architectures of  
Collaboration Initiative**

Technological change and globalization enable people and resources to be organized in new ways across time and space. You will learn how business leaders effectively manage within and across organizations.

**Innovation and  
Entrepreneurship Initiative**

All businesses must continually find new ways to create value. You will learn how business leaders — whether at startups, middle-market companies or large corporations — discover new ideas and turn them into valuable goods and services.

**Markets and Customers  
Initiative**

Anticipating and meeting customers’ needs is essential in today’s economy. You will learn how business leaders create and reinvent markets through greater customer insight and focus.

**Public-Private Interface  
Initiative**

Business leaders must increasingly balance their traditional role as manager with the emerging role of public advocate. You will learn how leaders capitalize on new opportunities and navigate among increasingly complex and powerful public stakeholders.



**Strengthening  
GLOBAL PRESENCE**

Another key goal of the 7-Year Plan was to strengthen Kellogg’s presence and reputation around the world. The effort began in 2010 with an audit of all things international. “As a pioneer in the global expansion of management education, we already had a solid foundation,” says Paul Christensen, a professor of finance and senior advisor for global strategy. Yet Kellogg did not receive the same recognition as other top schools.

To address this, Kellogg has taken a number of steps in the past five years. First, it strengthened and deepened the connectivity of its partner Executive MBA programs in Hong Kong, Tel Aviv, Germany and Toronto into what is now an integrated,

premier Executive MBA Global Network, the largest and most immersive of its kind. “We recognized it would be more valuable — to our students and the school — to integrate our partner schools and create more opportunities for students to learn across geographic boundaries,” says Christensen. Kellogg also expanded the network to mainland China, adding the Guanghua School of Management — one of China’s premier business schools, located in Beijing at the prestigious Peking University.

Equally important has been bringing a deeper global perspective into the MBA curriculum. Kellogg has done this by introducing a number of experiential learning courses. International Growth Lab, for example, is designed to combine classroom learning with real-world problem-solving. “We’re giving our students the opportunity to work with students from other leading business schools on client projects across time zones and cultures, which is crucial in preparing for a global career,” Christensen says.

“INSPIRING GROWTH” BRAND STRATEGY LAUNCHES

PRESIDENT BARACK OBAMA SPEAKS TO KELLOGG STUDENTS

ANNUAL FUND SETS RECORD FOR FOURTH STRAIGHT YEAR WITH \$6M IN GIFTS

# STAYING *true* TO THE KELLOGG CULTURE

When an organization undergoes change, there is always the danger of losing one's culture. But Kellogg's culture has actually been a central part of its transformation. Far from abandoning its core values, the 7-Year Plan has actually served to reinforce those values. "Students choose Kellogg for its culture," Tim Simonds says, "and employers choose Kellogg because of the kinds of students who emerge from that culture."

For decades, the school has prided itself on the quality of its graduates — not just their ambition or their business acumen but also their ability to collaborate, support each other and make a difference. "Kellogg has long prepared high-impact, low-ego leaders who have a positive impact on the world," says Dean Blount. "Over the past five years, it's been my privilege to experience this firsthand as I meet with our students and alumni around the world."

The community will come together in an unprecedented way for the first-ever Kellogg on Growth Forum in November 2015. The one-day event will take place at various locations across the Evanston campus, bringing together more than 1,000 students, faculty and alumni to connect and share ideas about the most important growth challenges facing people, organizations and markets.

Kellogg also has been deepening its commitment to diversity. "Teamwork is central to how we teach and operate. We know that diverse teams produce better results. We're proud of the diversity within Kellogg. Just one example is having 43 percent women in the Class of 2017, an all-time high," Simonds says.

Kellogg's 7-Year Plan is a major investment in just about every aspect of the school, from faculty research to new programs to global partnerships. But it is also an investment in the larger community. "One thing that is abundantly clear is that Kellogg and the Kellogg community are deeply integrated," Hubbard says. "To pull this off, you need to have more than just ambition — you need a culture of mutual support."

## FEELING THE *impact*

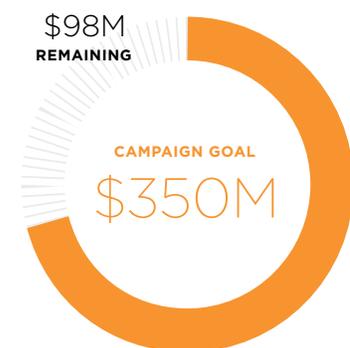
The community is already feeling the impact of Kellogg's new trajectory. The faculty continues to receive accolades for its cutting-edge research, students are taking advantage of an enriched and expanded curriculum and alumni are giving at unprecedented levels.

The school's global reputation is clearly on the rise.

Kellogg is at the forefront of industry dialogue. Jan Eberly, professor of finance and former chief economist for the U.S. Treasury, was named co-editor of the Brookings Institution's leading economic policy journal; Betsy Ziegler recently spoke on the future of business education to a forum of 600 business school leaders; and Dean Blount visited the White House to discuss diversity and women in business.

"We've made tremendous progress, and we're proud of what we've achieved so far," says Dean Blount.

***"But we aren't satisfied stopping here. We will continue to work together as we move ahead to 2020 and beyond."***



### CAMPAIGN SUPPORT

Kellogg launched its largest-ever capital campaign in 2012 to support its transformation. By the end of FY 2015, alumni and friends of Kellogg have raised more than \$250 million.

CAMPAIGN REACHES  
\$250M MARK

AMERICAN ACADEMY OF ARTS AND SCIENCES ELECTS  
TIM FEDDERSEN, WHO JOINS THE RANKS OF JAN EBERLY,  
EHUD KALAI AND DAVID AUSTEN-SMITH

ONE-YEAR PROGRAM MARKS 50TH  
ANNIVERSARY, WELCOMES LARGEST CLASS

# KELLOGG'S NEW BUILDING REACHES FINAL HEIGHT

ON TRACK FOR OCCUPANCY IN 2017

Perhaps the most visible sign of Kellogg's progress is the Global Hub. When it opens in 2017, it promises to foster new forms of learning, idea generation and collaboration for its future inhabitants, who will include Kellogg faculty, staff and students along with the Weinberg College Department of Economics.

Designed by award-winning Toronto firm KPMB Architects, the building will feature flexible and adaptive classrooms that can be reconfigured to optimize learning, as well as open and inviting communal spaces that will enable dialogue, collaborative work, spontaneous idea sharing and inspired problem-solving.

Thanks to an eco-friendly design that will reduce energy consumption to at least 30 percent below local code requirements, the hub will be one of the greenest learning environments among MBA schools. Currently, the building is tracking solidly for LEED Gold certification.



With the building reaching its final height in the fall of 2015 and work progressing on the exterior, construction moves into the interior, focusing on several spaces:

- + **The Collaboration Plaza:** A three-story, 6,000-square-foot atrium that will welcome visitors to Kellogg while drawing students, faculty and visiting leaders together.
- + **The White Family Auditorium:** A two-story, 6,600-square-foot, 350-seat space that will become Chicago's and Northwestern University's signature convening space, capable of hosting dinners for 250 or lectures for 350.
- + **The Faculty Summit:** A 9,000-square-foot, two-story piazza that forms the intellectual soul of Kellogg's global hub, where faculty will converge to discuss, debate and find solutions to the most pressing economic, business and social issues of the day.

Construction should be completed over the next year, with mechanical, electrical and plumbing systems, partitions, floors and other final touches concluded by late 2016.

Concrete poured on the 34-foot-wide stairs leading from the three-story atrium into the building's garden level. Reminiscent of Rome's Spanish Steps, these steps will be a gathering space, bringing people from all levels of the global hub into the heart of the building.

Learn more about Kellogg's global hub: [transformingkellogg.com](http://transformingkellogg.com)

DEAN BLOUNT VISITS WHITE HOUSE TO DISCUSS WOMEN IN BUSINESS

GLOBAL HUB REACHES ITS FINAL HEIGHT

2016



“Learning to read can be a lucky break for millions of children, and eventually millions of families.”

# The bibliophile

WITH A DATA-DRIVEN FOCUS, JOHN WOOD BRINGS LITERACY TO SOME OF THE WORLD'S MOST IMPOVERISHED REGIONS

Sixteen years after leaving a successful career at Microsoft to promote literacy in overlooked corners of the globe, **John Wood '89** revels in the statistics.

By year's end, a full five years ahead of schedule, Wood's Room to Read nonprofit will have benefited 10 million children across 17,000 communities in Asia and Africa by focusing on literacy and gender equality in education.

It was while vacationing in Nepal in 1999 and seeing unremitting poverty that Wood's life took on its dramatic new locus. Literacy, he says, is the baseline on which to build an education and create economic prosperity.

"Two out of seven people live on \$2 a day or less," says Wood, who wrote about his road to social entrepreneurship in a pair of books: *Leaving Microsoft to Change the World* and *Creating Room to Read: A Story of Hope in the Battle for Global Literacy*.

"So much of this goes back to the lottery of life, that where you are born and to whom you were born are completely random events that you have no control over," he adds. "If you were born in Evanston, Connecticut, the U.K. or Switzerland, you're amongst the luckiest people on earth because you're guaranteed an education."

After founding Room to Read in 2000, Wood, who is based in Hong Kong, set out to persuade benefactors — mainly business executives and companies — to donate \$325 million in capital to Room to Read by demonstrating that it's an efficiently run model for social change.

The nonprofit is fastidiously data-driven. Research tracks everything from average words read per minute and library access time to graduation rates and community co-investment in school construction projects.

"A lot of our leadership team is what I refer to as corporate refugees," Wood says. "They've done their education, they've cut their teeth at companies ranging from Goldman Sachs to Unilever and, as a result, so many of us have grown up in environments where, to use one of (former Microsoft CEO) Steve Ballmer's expressions, what gets measured gets done. Otherwise, you just don't know if you're doing any good for the world."

Data further show the challenge at hand: around the world, 773 million people cannot read or write.

"We can beam the Internet to remote parts of Africa from satellites, but if people don't have the ability to read or write, then what good is it going to do?" Wood says. "Learning to read can be a lucky break for millions of children, and eventually millions of families." κ

# BUILDING A WINNING PROGRAM

RESOURCES, MENTORING AND CLASSES MAKE A WINNING FORMULA FOR KELLOGG'S NEW VENTURE COMPETITION TEAMS

Before **Tyler Wanke '15** was part of a medical device startup that won \$200,000 in 11 business plan competitions, he was another MBA student in a New Venture Development class learning the art of the pitch.

"Every two weeks you'd go there and pitch your business and you'd practice," says Wanke, who graduated this spring from the MMM Program. "By the time we went to our first pitch competition, we were relatively prepared and we got better every time."

Wanke is CEO of Innoblative, makers of a disposable radiofrequency ablation probe for treating surgical cavities like those remaining after excising breast tumors. Usually patients receive weeks-long radiation therapy after such a surgery to ensure residual cancerous tissue is eliminated; with Innoblative's probe, radiofrequency energy kills potentially cancerous cells in minutes.

Northwestern Memorial Hospital surgeons originated the idea, but Wanke came on in 2013 to assemble an eight-person team that includes students from Northwestern's engineering, medical, business and law schools. Since then, Innoblative has won or placed highly in notable case competitions. In 2014, it took fourth at the Rice Business Plan Competition, the world's largest business plan contest, and first at the University of Texas at Austin's Global Venture Labs Investment Competition.

Innoblative isn't the only Northwestern University startup to have succeeded in business competitions. Indeed, since 2012, the school has been represented by four different startups at the Rice competition.

What's the recipe for Northwestern's success? A combination of financial support, staff resources and new classes — like New Venture Development, a course offered as part of the Kellogg Innovation and Entrepreneurship Initiative (KIEI) — has proved pivotal for Northwestern students.

Many aspiring entrepreneurs have used those resources to develop prototypes, file trademarks, find mentors and streamline their pitch decks prior to arriving at their first business plan competition.

**"Each of the winners from previous years has come back to coach the next group."**

**LINDA DARRAGH**

Clinical Professor of Entrepreneurial Practice  
Executive Director, Kellogg Innovation and Entrepreneurship Initiative

If startups need work on pitching, they see **David Schonthal '09**, a clinical assistant professor of innovation and entrepreneurship. If startups need to understand trademark law or incorporate their businesses, they see **Esther Barron**, director of the Entrepreneurship Law Center at Northwestern Law.

Funding, like the \$100,000 for business services available to Zell Scholar recipients, is provided for startups, as KIEI Executive Director **Linda Darragh** points out. And case competition winners from previous years typically return to Kellogg to mentor student startups, exemplifying Kellogg's distinct driven and supportive culture. Darragh calls it the "historical compendium of knowledge" that KIEI has put together. Because of that support, students aren't surprised going into pitch competitions.

"Each of the winners from previous years has come back to coach the next group," Darragh says. "They've shown their pitch decks and have talked about how the judges ask questions and things to be on guard for."

For Innoblative, that support made the difference. Wanke says the Chicago-based med-tech startup has already raised more than \$1 million and is eyeing 2016 for a clinical trial of its device.

He adds: "I think Kellogg has the best entrepreneurship program out there because the curriculum actually lets you work on your company with faculty for credit and build your company while in school." ❧

BY ANDREW ZALESKI

This past school year, student teams from Kellogg took first place in 11 competitions, thanks in part to the various services and resources available to them.

## HERE'S A QUICK OVERVIEW OF WHAT KELLOGG OFFERS ITS FUTURE ENTREPRENEURS:



### COURSES

Core entrepreneurship classes in the “Discover. Test. Launch.” track such as New Venture Discovery give students a chance to build, refine and pitch business ideas.



### MENTORSHIP

Faculty, alumni and VCs mentor students on the challenges of entrepreneurship.



### PITCH REVIEW

Student teams get feedback on their business pitches from faculty, alumni and past competition winners.



### PITCH AND BUSINESS SERVICES SUPPORT

KIEI provides business support such as legal counsel, graphic design and travel support to competing student teams.



### INTERNAL COMPETITIONS

Kellogg hosts internal competitions based on regional and national competitions that provide feedback from faculty, alumni and VCs. Winners receive travel support toward regional and national contests.



### SCHOLAR PROGRAMS

Programs like the Zell and Youn Impact scholars provide select entrepreneurship students with additional business support, faculty and alumni review of business plan pitches, and a high-level mentorship to qualifying students.

# 11

1ST PLACE AWARDS

# 3

2ND PLACE AWARDS

OUT OF

## 19 COMPETITIONS

IN 2014-15 ACADEMIC YEAR



FACULTY EXPERT

### LINDA DARRAGH

#### AREAS OF EXPERTISE:

Early-stage financing and teaching, enhancing entrepreneurship

- Current research efforts focus on early-stage financing in the realm of for-profit social ventures and impact investing.
- Co-founded Impact Engine, an accelerator for for-profit social ventures. Serves as board member of 1871, a nonprofit incubator for tech startups.

# ENGAGING PUBLIC POLICY

**JANICE EBERLY**, FORMER CHIEF ECONOMIST FOR THE U.S. TREASURY, SAYS COMPANIES SHOULD SEEK OUT POLICY INTERESTS AND CONTRIBUTE

Since returning to Kellogg from a stint as a top U.S. Treasury Department official, Janice Eberly has been adamant: Companies need to have a more constructive role when it comes to public policy.

“In public policy and on public issues, more often than not businesses wait for an issue to come up and then respond,” says Eberly, the James R. and Helen D. Russell Professor of Finance and faculty director of Kellogg’s Public-Private Initiative (KPPi).

The solution is what she calls “engage policy,” in which companies identify a policy interest and develop ways to contribute that not only align with their business but also contribute substantially to shaping policy outcomes.

Eberly, who served as the U.S. Treasury Department’s assistant secretary for economic policy from 2011 to 2013, says



BY CHUCK MCCUTCHEON ILLUSTRATION BY MUTI/FOLIOART

companies need to determine which issue matters most to them, then assess if they have the knowledge to engage on it: “If you have particular resources, or tactics expertise, or have data that makes you a leader on the issue, you then look for the alignment to support the public good.”

She cited an example of that approach in action in 2013, when Facebook founder Mark Zuckerberg and other Silicon Valley technology leaders took an avid interest in immigration reform. They launched FWD.us, an advocacy group that ran television advertisements and sought to raise awareness in other ways about the issue. Their interest — and expertise — stemmed from the continued need to ensure that foreign high-tech workers receive visas, and Zuckerberg’s stature gave them obvious credibility.

Another example came when the U.S. Chamber of Commerce decided to engage on transportation. It helped launch Americans for Transportation Mobility Coalition — business, labor and transportation groups making the case that deteriorating roads and bridges are detrimental to businesses, as well as to growth in the U.S. economy.

That argument has resonated with many state governments, even as Congress has been at odds over the issue. “The opportunity

for businesses in those states is that you have a much more direct connection to state and local business leaders,” Eberly says.

This can be an easy opportunity to scale for some companies, she says. In 2008, tax-preparation giant H&R Block launched a project in Ohio and North Carolina. The program provided free help to low- and moderate-income families in filling out and filing application forms for college financial aid. Then everyone watched as college enrollment rates rose 30 percent among high school seniors and 20 percent among young adults already out of school who participated in the program.

“What does H&R Block have that helps with financial aid? The information,” she says. “They have almost all the information that you need to fill out the federal financial aid form. It’s in their wheelhouse.”

Eberly believes it’s important for companies to make customers aware of what they are doing. While recently flying back from New Zealand on United Airlines, she watched a video on the plane showing how the airline had delivered mail and food across the islands of Micronesia.

“They were telling me that they were part of the community and deeply connected to it — and that mattered to their customers,” she says. ◀



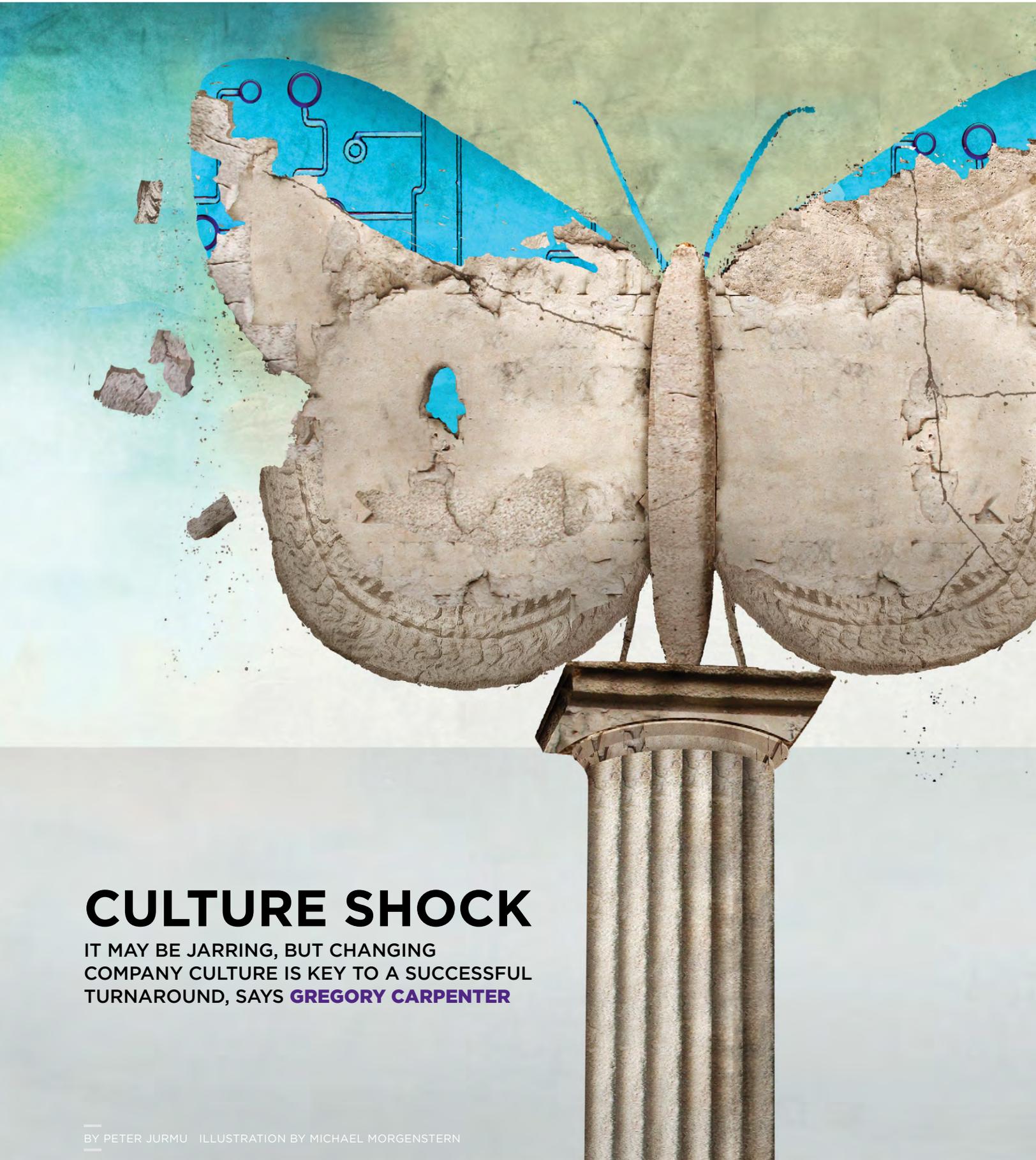
FACULTY EXPERT

### JANICE C. EBERLY

#### AREAS OF EXPERTISE:

Corporate capital structure, macroeconomics, monetary policy, real options (investments)

- Senior fellow at the Brookings Institution and co-editor of their flagship journal, the *Brookings Papers on Economic Activity*.
- Assistant Secretary for Economic Policy at the U.S. Treasury (2011–2013), Chief Economist at the Treasury, leading the Office of Economic Policy in analysis of the U.S. and global economies and financial markets.



# CULTURE SHOCK

IT MAY BE JARRING, BUT CHANGING COMPANY CULTURE IS KEY TO A SUCCESSFUL TURNAROUND, SAYS **GREGORY CARPENTER**

BY PETER JURMU ILLUSTRATION BY MICHAEL MORGENSTERN



FACULTY EXPERT

**GREGORY CARPENTER**

**AREAS OF EXPERTISE:**

Brand management, consumer products and behavior, marketing management, strategy, planning and policy

- Current research focuses on understanding how firms create competitive advantage through marketing strategy, how firms become more customer focused, regain advantage and renew success.
- Director of the Center for Market Leadership, corporate advisor and co-author of *Resurgence: The Four Stages of Market-Focused Reinvention*.

**“The problem is that on a personal level, abandoning values is no longer accurate... it’s very understandably a frightening realization.”**

**GREGORY CARPENTER**

James Farley/Booz Allen Hamilton Professor of Marketing Strategy and faculty director of the Kellogg Markets and Customers Initiative (KMCI)

It seems absurd that multibillion-dollar organizations could struggle and even fail by embracing the same values and beliefs that drove their success. But the strong culture necessary to succeed can blind an organization when things go wrong.

And as companies adjust and reinvent themselves, ignoring the need for culture change can stall a turnaround in its infancy.

That is the one of the many hard-earned lessons found in *Resurgence: The Four Stages of Market-Focused Reinvention*, co-authored by Gregory Carpenter, faculty director for the Kellogg Markets and Customers Initiative (KMCI) and the James Farley/Booz Allen Hamilton Professor of Marketing Strategy, with **Gary Gebhardt ’05** and former Kellogg professor **John Sherry Jr.**

“An organization develops its culture based on shared lessons from the past,” Carpenter says, “and the more successful [the organization], the more deeply held are the values and beliefs that define a culture.”

When a market environment changes, however, many of those values suddenly stop producing successful results. And when they do, organizations are faced with what seems like an impossible choice: abandon their beliefs and values and embrace new, untested ones, or fade away.

“The problem is that on a personal level,” Carpenter says, “abandoning values is a recognition that your understanding of the world is no longer accurate. In a human sense, it’s very understandably a frightening realization.”

The book proposes four stages of resurgence: recognize,

reinvent, formalize and maintain. With each step, the organization transforms its culture to be more focused on customers, more open, more agile.

But, of course, resurgence is not guaranteed.

Telecommunications company Motorola is one of the organizations the authors studied. A pioneer in wireless communication technology, Motorola thought its 80 percent market share, supported by its engineering power, was unassailable.

By the late 1990s, however, rivals had eaten away at that gain. Even then, it took five years for the precariousness of Motorola’s position to sink in.

In that situation, according to *Resurgence*, “The company is left with a set of norms and behaviors that not only fail to serve the market but can also be a liability.”

Perhaps most difficult to understand is that sustained reinvention is antithetical to doubling down on what worked in the past. Organizational values that no longer reflect the reality of the market will not start working again simply because a company wills it.

Harley-Davidson, one of *Resurgence’s* success cases, realigned its marketing and production efforts to appeal to a new generation of motorcyclists; now, they’re the No. 1 brand among bikers under 35.

“The more successful [organizations] adapt,” Carpenter says. “They evolve with their environment.”

But sustained reinvention is difficult to achieve, as Motorola has found. At the core of any effort is constant “refreshing” of market understanding until the organization anticipates or even drives change, as it once did.

Then, Carpenter says, “Change becomes part of what you do. Change becomes natural, and it’s not traumatic at all.”

# THE SCIENCE OF SOCIAL

BIG SOCIAL DATA CUTS THROUGH HUMAN BIAS TO REACH  
PROFOUND CONCLUSIONS



BY FRED SCHMALZ ILLUSTRATION BY MARIO WAGNER

Humans are by nature social beings, and for many of us, parts of our social lives play out online.

While we may be aware that the trails of our social media interactions — every post, purchase, “like” and shared pygmy goat video — are being aggregated into a trove of “big social data,” we may not know about the ways that information can be put to use.

For scientists like **Brian Uzzi**, access to big social data for computational social science research has the potential to provide deep insight into human behavior. The ability to examine a data set as large as an entire social network makes it possible to accurately predict how people will act in a given situation, creating a guide to better decision-making and opening the door to human-machine partnerships that can improve our lives in ways we haven’t yet imagined.

“People all over the world are sharing all this information,” says Uzzi, the Richard L. Thomas Professor of Leadership and Organizational Change and co-director of the Northwestern Institute on Complex Systems. The effectiveness of these masses of data hinges on how data logic and human cognition interact. “With computational social science, we are able to rank it, filter it and make it useful for a machine.”

Gaining a more nuanced understanding of the ways ideas diffuse through a population and how opinions change

“All the social media data we’ve collected shows that we are incredibly sensitive to what other people do.”

### **BRIAN UZZI**

Richard L. Thomas  
Professor of Leadership  
and Organizational Change  
and co-director of the  
Northwestern Institute on  
Complex Systems

has great potential for business leaders across industries and functions. It turns out, others may influence us more than we realize.

“Until recently, we believed that each of us made our own decisions, and that our friends influenced us here or there, but not in a big way,” Uzzi says. “All the social media data we’ve collected shows that we are incredibly sensitive to what other people do. That’s often the thing that drives our behavior, rather than our own interests or desires or preferences.”

Incorporating this kind of data into the development of human-machine partnerships has the potential to improve human decision-making on both societal and individual levels. Uzzi sees these partnerships as a way to optimize the best qualities of both humans and machines.

“Human beings have whole sets of cognitive biases that lead them to make irrational decisions,” Uzzi says. “The idea of human-machine partnerships is that the machine can help you overcome these innate, hard-wired cognitive biases to make sure that you look at information from more perspectives. It also provides a feedback loop that allows you to learn where you might have taken oblivious missteps.”

For Uzzi, the real sweet spot in human-machine partnerships is figuring out how to meld the great qualities of human beings, like spontaneity and improvisation, with machines that do rule-bound work better than humans can.

“That would create a complementarity between the two that gives you more than either one could possibly give you on its own.” κ



FACULTY EXPERT

### **BRIAN UZZI**

#### AREAS OF EXPERTISE:

Behavioral finance, creativity and innovation, social media and networks

- Current research uses social network analysis and complexity theory to understand outstanding human achievement in business, science and the arts.
- Advises and speaks at major organizations and associations, including the Young Presidents’ Organization, Deloitte, Pepsico, Kraft, Abbott Labs, Credit Suisse, McKinsey, the World Bank and other corporations, firms, associations, and non-profits worldwide.

# HEALTH CARE EXCHANGES LIKELY TO EXPAND

U.S. SUPREME COURT DECISION VALIDATING FEDERAL EXCHANGE COULD PAVE WAY FOR BROADER USE OF INSURANCE MARKETPLACE, SAYS CRAIG GARTHWAITE



With the battle over Affordable Care Act insurance subsidies completed, Americans who have relied on the federal exchange for health insurance can breathe a collective sigh of relief.

It's unlikely the ACA will come undone. As a result, the commercial use of the public exchanges is likely to expand as employers encourage workers to obtain insurance on the exchanges, says **Craig Garthwaite**, assistant professor of strategy at Kellogg.

In a 6-3 decision announced June 25 in the *King v. Burwell* case, the U.S. Supreme Court agreed to interpret the phrase "an exchange established by the state" in the ACA's broader context to include the federal exchange, which the court inferred was intended to serve as a fallback when a state did not establish its own exchange. In writing the majority opinion, Chief Justice John G. Roberts said the justices considered the significance of undoing what has become an accepted method of obtaining health insurance for an estimated 6.4 million Americans who received subsidies on the federal exchange.

"With these two decisions, they've made it clear they know what Congress intended and they're going to let Congress get away with inartful language," Garthwaite says. "That way, there

aren't going to be many more challenges to the ACA that have any merit."

With the matter settled, attention can now shift to controlling the cost. An effective strategy could be eliminating the employer mandate, which encourages companies to recommend that employees purchase insurance on the exchanges.

Adding healthy workers to the pool would spread the risk over a greater number of participants and should result in lower rates all around. "The goal of the ACA is to move away from employer-provided health care. It's counterproductive to have an employer mandate put on top of that," Garthwaite says. "What we want is to have younger employees on the exchange. It helps the risk pool."

Specialty grocer Trader Joe's announced in August 2013 it would offer \$500 stipends for employees working fewer than 30 hours a week to put toward a health insurance plan purchased on the exchanges, according to the *Huffington Post*.

Health care consultancy Mercer reports that about 24 percent of employers surveyed after the Supreme Court decision said they would consider the health care exchanges as an alternative for part-time employees who are currently on employer health plans.

Employees who shop for insurance on the exchanges typically have a larger number of plans to choose from at lower prices than small employers can negotiate on their own. The court decision helps to level the playing field as small businesses compete with larger firms for talent.

As more companies encourage use of the exchanges, the effect will be a move toward creating a national marketplace for insurance unrelated to employment. "It's going to be a private-based universal health care," Garthwaite says. "We are going to subsidize the purchase of insurance through these exchanges." Higher-paid employees who don't qualify for subsidies still could benefit from a greater choice of plans and less to worry about when switching jobs or starting a business. **K**

FACULTY EXPERT

**CRAIG GARTHWAITE**

AREAS OF EXPERTISE:

Health economics, pharmaceutical industry, public finance, political economy

- Current research includes examining the effects of government policies and social phenomena in the health sector.
- Served as director of research for the Employment Policies Institute, testified before the U.S. House of Representatives and several state legislatures on the minimum wage and health care reforms. Named one of *Poets & Quants*' World's Best 40 Under 40 Business School Professors



# INVESTMENT BANKING: NEW YORK

The U.S. banking industry needed more than a bailout following the financial crisis of 2008. It needed an attitude adjustment.

That's what legislators tried to achieve in 2010 when they pushed through the Dodd-Frank Wall Street Reform and Consumer Protection Act, a complex set of regulations determined to rein in the kind of risky investments and aggressive lending tactics that pummeled bank portfolios and sent the economy into a downside. The law is so complex — it contained thousands of pages of laws and rules — that some pieces are still being hashed out today.

Five years later, Kellogg alumni **Gary Parr '80** of Lazard and **Christina Minnis '92** of Goldman Sachs reflect on New York's financial industry and how they operate in today's climate.

BY LORENE YUE

# THE NEW NORMAL

BUOYED BY NEARLY 25 YEARS OF BANKING EXPERIENCE, MANAGING DIRECTOR **CHRISTINA MINNIS '92** GUIDES GOLDMAN SACHS THROUGH A NEW ERA

The tone in today's financial industry feels familiar to Christina Minnis. It's similar to when she started her career in the field.

She graduated from Yale University in the midst of the savings and loan crisis, when large banks once deemed "too big to fail" were on the brink of doing just that. Fast-forward a few decades and the U.S. government was once again facing the prospect of bailing out financial institutions.

Back in the late 1980s, Minnis was stepping into an industry coming off deregulation. Now, as co-head of leveraged finance in the Americas for Goldman Sachs in New York, she's seeing the opposite as lawmakers put new standards into place.

"The environment has changed as the industry matures," she says. "This is a regulated industry and you have to innovate and operate within those regulations."

New rules have "added layers of complexity," she says, but regulation doesn't necessarily mean stagnation. Mergers and acquisitions are on the rise and headed for a record year.

**"There has never been a better time to join investment banking."**

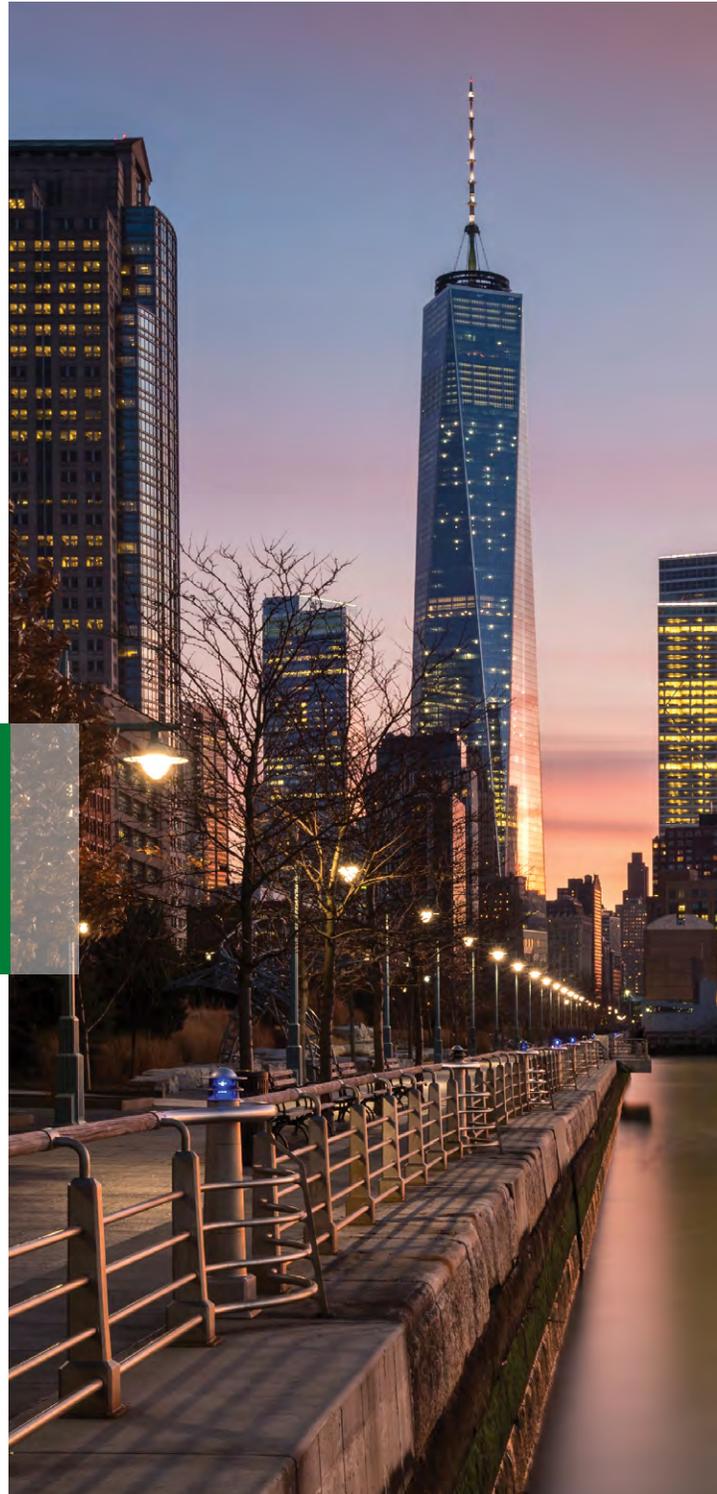
**CHRISTINA MINNIS '92**

Co-head of leveraged finance in the Americas,  
Goldman Sachs

"Look at the number of mergers and acquisitions [taking place]," she says. "I think there has never been a better time to join investment banking."

Minnis joined Goldman in the late 1990s, working on leveraged finance deals during the time when big banks like NationsBank and Banc One were getting bigger by buying Bank of America and First Chicago NBD, respectively. From there, she did a stint in the company's leveraged finance division for health care.

Her workload isn't the only reminder that regulation hasn't hindered the industry. Minnis is a member of Goldman's recruiting team, which helps reinforce her view that finance, even in an increasingly regulatory environment, is still "very en vogue." κ



# 1,022

KELLOGG ALUMNI IN  
NEW YORK CITY



## *Playing the market...for real*

Asset Management Practicum give students the chance to manage a \$7M portfolio

Kellogg students get a front-seat view of risk and reward through the Asset Management Practicum, where mistakes have real financial consequences.

The class requires students to monitor and trade within investment portfolios that currently stand at \$7 million in total assets.

“It’s soup to nuts what an equity portfolio manager has to deal with,” says Robert Korajczyk, the Harry G. Guthmann Professor of Finance and co-instructor of the course.

It all began in 2007, when the first class had \$2.7 million to manage. Assets have grown through student-based investments and endowment contributions.

Students spend two to three quarters in the class as equity analysts pitching long or short positions on stocks. One additional quarter is spent on the other side of the table as a manager for one of four portfolios. Investment pitches are sometimes critiqued by industry professionals. Once a year, students travel to NYC to consult an advisory board of alumni and get feedback from portfolio managers.

There are rules: Only 8 percent of the portfolio can be in a long position of a single stock and 4 percent in short positions.

“We try to get people to not be pro-cyclical,” Korajczyk says. “Not just going long when the market is going up and not just short when the market is going down.”

There have been hits in the past eight years, like buying Apple Inc. shares before its recent run. And there have been misses.

“We’ve had [pitches to short a stock] where the portfolio manager didn’t take the position and could have made a lot of money,” he says. “There was a short pitch for Crocs and a week later, the stock went down 70 percent.”

Then there was the pummeling of 2008 and 2009.

“Going through the [financial] crisis was obviously an experience,” Korajczyk says. κ





# MOVING M&A OUT OF NEW YORK

FOLLOWING BIG MERGERS WITH BEAR STEARNS AND LEHMAN BROTHERS, **GARY PARR '80** IS MORE ACTIVELY TAKING HIS TALENTS OVERSEAS

Gary Parr's job hasn't changed much in the five years since Dodd-Frank passed.

He's still working on merger and acquisition deals in the financial services industry. It's just where he's doing it that is different.

The vice chairman of financial advisory firm Lazard is spending significant time advising projects in Spain, Austria, Japan and China.

"Global is very exciting," he says. "In the U.S., it's rearranging bank portfolios because they have to meet their capital requirements. They have to be conservative."



# 22%

OF KELLOGG ALUMNI IN NEW YORK CITY

**WORK IN FINANCE**

institutions units. He ultimately went on to run the M&A division at Morgan Stanley before Wasserstein recruited him to Lazard in 2003. In announcing the hire, Wasserstein called Parr “one of the world’s outstanding investment bankers, with a wealth of experience and strong client relationships.”

Since joining Lazard, the world’s largest independent advisory firm, Parr has continued to advise on large mergers, including Kuwait’s investment in Citigroup, the merger of Bank of New York and Mellon and the New York Stock Exchange becoming public.

But now, thanks to Dodd-Frank and its requirements on how much capital banks must carry, the U.S. industry is downsizing, allowing Parr to take his 30 years of M&A experience to primarily do deals overseas.

“There’s a lot of positive things, such as [how to regulate] risk management and capital. But some rules are off the mark. A lot of the rules in Dodd-Frank have little to do with the financial crisis.”

**GARY PARR '80**

Vice Chairman, Lazard

He worked on a flurry of U.S. acquisitions in the heyday of the banking crisis, including the sale of Bear Stearns Companies Inc. to JPMorgan Chase & Co., the sale of certain Lehman Brothers’ assets to Barclays and Fannie Mae’s restructuring.

Parr has been advising on deals for roughly 30 years, starting out at First Boston Corp. Then he helped form the advisory firm Wasserstein Perella & Co., co-founded by Joseph Perella and Bruce Wasserstein (who went on to become Lazard’s chairman and CEO before he passed away in 2009).

Parr went on to Morgan Stanley in 1993, working in the firm’s global mergers and acquisitions and global financial

“CEOs [of U.S. banks] are spending a lot more time on regulation,” he says.

He has mixed views on the changes required by Dodd-Frank, which sought to prevent another widespread banking crisis by reining in risk in the financial industry.

“There’s a lot of positive things, such as [how to regulate] risk management and capital,” Parr says. “But some rules are off the mark. A lot of the rules in Dodd-Frank have little to do with the financial crisis.” Capping how much banks can charge retailers when customers use their debit cards to pay for goods is one example.

Parr says he sees the U.S. financial industry moving back to mergers and acquisitions, but it will likely be among banks smaller than the giants of JPMorgan Chase, Bank of America Corp. and Citigroup Inc.

“There’s a whole other tier that will, in time, do mergers,” he says. ◀



“What’s more important is how you train yourself to acquire the necessary competitive advantage ... to be in the position to invest in the next emerging company.”

# The Midas touch

JENNY LEE BECAME THE FIRST WOMAN TO CRACK THE TOP 10 OF *FORBES'* TECH INVESTOR LIST THIS YEAR, AND HAS NO PLANS OF SLOWING DOWN

The U.S. economy was already in flux when **Jenny Lee '01** sought to make her mark in the business world.

“It was the worst possible time,” says Lee, who had just graduated from Kellogg.

But across the Pacific, China was emerging as an economic power, and Lee set off for Hong Kong to seek out opportunities. “Huge country, huge potential,” she says of China.

By all accounts, she parlayed those opportunities into a career that has made her one of the leading venture capitalists in the world.

*Forbes* recently named Lee, a managing partner of GGV Capital, to its Midas List Top 10 — ranking her 10th, the highest ever for a woman.

One day, she says, a woman will be atop that vaunted list.

“The way I look at it, there are nine VCs in front of me. I need to do a better job. There’s still a lot of improvement to get further up there,” she says.

“The measurement is not that I’m the only woman in the Top 10,” she adds. “It’s not about who you are, where you’re from, or your gender — all that is actually not important. What’s more important is how you train yourself to acquire the necessary competitive advantage ... to be in the position to invest in the next emerging company.”

Lee has been with GGV since 2005. She built her success on the growth of the consumer Internet sector and on digital media. Among her biggest successes to date was in backing the social networking platform YY, which went public in 2012 and is

now valued at more than \$3.3 billion.

Lee earned her undergraduate and master’s degrees in electrical engineering at Cornell University, with a focus on wireless technology and control systems.

After Cornell, she returned to her native Singapore to work in the defense industry. She spent five years working on fighter jets and drones.

Then she veered into a different direction: an MBA at Kellogg.

“I’m very technology-based, very techy, very quantitative,” she says. “So I felt like I needed to learn more about marketing and strategy, and the MBA route was a very good one to enhance and complete the education process.”

While the U.S. economy was in decline, China’s business scene was taking off, and Lee saw an opportunity.

Over the past 14 years, the economic growth in China has boomed — and so has the presence of venture capitalists. In 2000, there were fewer than 100 VC firms in China, she notes. By the end of 2014, the number eclipsed 8,000.

“There are more players in the market, more capital in the market ... so it is more competitive.” That, she says, could make it harder for newer VCs to break into the market. “It’s not impossible, but it’s a lot harder.”

Lee cannot predict where her next big success will be. But she’ll find it, she says, if she remains ahead of the lightning-speed shifts within the tech industry and the evolving demands of consumers. **K**



## NEW COMPANIES ARE CHANGING WHO CAPTURES VALUE AND, IN THE PROCESS, REMAKING THE OLD ECONOMY-OF-SCALE APPROACH

BY ANDREA MUSTAIN ARTWORK BY VASAVA PHOTO BY JEFF SCIORTINO

A jaunt down memory lane to ancient times — let's say, 2010 — makes it clear: The weird, messy economic party the Internet started is in full, riotous swing, and thanks to an explosion in smartphone use, more and more people and companies are joining in.

Yet these days, a mere smartphone app does not a successful business make. Instead, some leading companies are cutting out the middlemen, both virtual and physical, and connecting customers directly to what they want — and, increasingly, to sources that are physically closer and closer.

Understanding this proximity of resources, capabilities, agency and knowledge of customer needs has allowed these companies to snatch market share — and money — from big-name, monolithic players that, for many decades, effectively owned huge swaths of economic turf. Now, thanks to new approaches to delivering both services (transportation, health care, energy) and actual goods (toothbrushes, airplane engines), economic territory is up for grabs.

Innovative companies are using a combination of technology and creativity to drive the production and provision of products and services ever closer to the point of demand, reshape markets as we know them, and unmake the rules for who captures value and how.

## Breaking the (supply) chain

Any discussion of this new paradigm isn't possible, apparently, without uttering a certain four-letter word: Uber.

Uber, with its unapologetic swagger, deftly connects consumers to a massive new crop of citizen drivers, Kellogg Clinical Professor of Innovation and Entrepreneurship **Robert Wolcott** says. By doing this, Uber circumvents the traditional taxi and car service industry while simultaneously capturing value for itself and a newly created workforce.

"It unlocks resources to satisfy the wants and needs of consumers more quickly than the old solution — and brings many more people and resources to bear on the problem," Wolcott says.

Wolcott and **Andrew Razeghi**, a consultant and lecturer of marketing at Kellogg, are trying to understand what the swift pace of technological change will mean in the coming years, and what new business models will be required to stay on top. It's early days yet, but as Razeghi says, we are witnessing "the unbundling of the corporation as we know it." Uber, in other words, is only a symptom of a much bigger shift in who takes home the money at the end of the day.

## New avenues of access

Doctor On Demand, a telemedicine startup, "probably couldn't even have existed three years ago," says **Seth Lasser '05**, VP of marketing at the San Francisco-based company. "The fact that everybody has the ability to have a two-way video conversation in their pocket makes our business possible," Lasser says.



FACULTY EXPERT

### ROBERT WOLCOTT

#### AREAS OF EXPERTISE:

Corporate innovation, venture capital and entrepreneurship

- Current research examines venture capital investments in startup companies and how established companies create innovation for business value.
- Provides innovation strategy and management advice for global corporations and entrepreneurs. Builds new companies in partnership with corporations and entrepreneurs.

"Consumers come to us the first time because of convenience. It's fast, it's late at night, they're not feeling well, they can't get to their doctor and with us they can be seen immediately."

### SETH LASSER '05

VP of marketing, Doctor On Demand





**ANDREW RAZEGHI**

**AREAS OF EXPERTISE:**  
Corporate creativity and innovation, launching new products and services, change and new ideas

- Current research looks at how companies can create innovative new products and service concepts.
- Consulting work specializes in growth strategy and innovation serving Fortune 500 and private equity-backed companies. Recently named to *Inc.*'s list of 100 Great Leadership Speakers. Author of several books.

Nearly two-thirds of Americans (64 percent) now own a smartphone, according to an April 2015 Pew Research Center report. That's nearly double the percentage in 2011. Pew data also show that as of October 2014, 42 percent of U.S. adults owned a tablet. And although this is all good news for a company like Doctor On Demand, the mere presence of a possible market doesn't guarantee customers.

What does bring customers, Lasser says, is what the company offers – backdoor access to something that is a huge headache for many, many Americans: health care. For \$40, anyone with a two-way video connection can see a medical doctor nearly instantaneously, which, as anyone who has navigated the maddening steeplechase of insurance, crowded doctor schedules and inconvenient hours can attest, is practically impossible through traditional channels.

"Consumers come to us the first time because of convenience," Lasser says. "It's fast, it's late at night, they're not feeling well, they can't get into their doctor and with us they can be seen immediately." The company also sees a lot of consumers who can't afford to get health care through traditional channels. "But their primary feedback – the reason they come back – is that the doctors are amazing," Lasser says.

**Separating winners from losers**

The novel arrangement that Doctor On Demand provides circumvents an entrenched, unfriendly system, and investors are betting on its success. The company recently secured \$50 million in Series B funding.

But as Lasser points out, Doctor On Demand is by no means the only player in telemedicine. What sets the company apart, he says, is not only the quality of the product, but the way it's delivered. "We've got more five-star reviews on the app store than everybody else combined," Lasser says. "It's as simple, and complicated, as having the best user experience."

Indeed, says **Sunil Chopra**, IBM Professor of Operations Management and Information Systems. For companies trying to rise above a host of competitors offering similar products, the customer experience can be the deciding factor. Chopra gives the example of Amazon.com and Walmart.com, two e-commerce retailers so similar that Chopra joked that the difference between typing Walmart.com or Amazon.com is trivial, "only a difference of one keystroke," he says.

Yet despite its massive supply chain and established presence across the United States, Walmart.com has lost out in the online retail space to a company that made ease of use central to

the customer experience, says Chopra. “That is really something that Amazon realized very early on, and it has helped it a lot.”

And it’s not just about making your app or website intuitive and easy to use, says **Rob Day ’01**, a partner at Black Coral Capital, a private equity firm that invests in natural resource innovation. Increasingly, a well-designed consumer experience requires behind-the-scenes work to connect the “full stack” of what customers will need, forcing them to make as few choices as possible.

To illustrate, Day uses an example from the burgeoning rooftop solar industry, another example of a direct-to-consumer model that is cutting out a monolithic middleman. Imagine, he says, that you decide to go with solar in your home. You have to buy solar panels, yes, but also figure out installation, backup power, permitting, a monitoring system and smart appliances. And somehow finance the whole thing. In other words, it’s confusing and time-consuming.

Companies that can own that entire backend process and deliver it in one neat package will inevitably beat out businesses that offer only one service and leave consumers to do all the connecting, says Day. So, he adds, “It’s really more about bundling services and user experience, not just user experience.”

### From services to stuff

One company bundling services with an actual physical product, and with no middleman in sight, is CloudDDM. Co-founder **Rick Smith ’94** calls it “the world’s first fully automated 3-D production factory.”

The company, which launched in May 2015, runs 100 industrial-scale printers inside UPS’s Louisville shipping hub. It combines an easy user experience — drag-and-drop 3-D printing capabilities — with scale, and overnight delivery to 48 states. “You can have an engineer hit print when they go home, and the part arrives on their desk the next morning,” Smith says.

“I think it’s a brilliant model, and it significantly enhances efficiency for specific kinds of products,” says Wolcott, “but as [Rick will] tell you, it’s a transitional model.”

Indeed, Smith envisions a future where 3-D printers are everywhere, and consumers can order a pair of customized sneakers they can pick up around the corner a few hours later. “All the old-school industrial infrastructure that is set up to deliver mass production gets dismantled,” Smith says.

**Yuri Salnikoff ’95**, CMO of MakerBot, the Brooklyn-based upstart desktop 3-D printing company, agrees. Salnikoff says that desktop 3-D printing can not only change the

direct-to-consumer market but, perhaps more importantly, will also someday allow companies to eliminate many of the costly requirements of doing business, everything from shipping to storage to inventory forecasting. “Why not have a desktop 3-D printer where you can print out a part?” Salnikoff says.

### Startups vs. incumbents

MakerBot is a young company. In just six years, it has gone from a hobbyist’s entity to a power player with an eye on the future, its web-enabled, software-rich printers embedded everywhere from elementary schools to product labs at GE. And just like many other ascendant, transformative businesses that have upended traditional models, it started with just an idea and a few ambitious people.

“The world is very different than a decade ago for entrepreneurs,” Wolcott says.

And this means that the big guys are looking intently in the rearview mirror.

“I think they’re worried,” Razeghi says, “but they’re worried about symptoms, and they’re not dealing with the cause of the problem, which is that markets are up for grabs today.”

However, Razeghi, Wolcott and Day all say that massive companies have some inherent advantages. Familiarity and comfort are powerful forces when it comes to buying behavior, and the brands we all know are firmly fixed in our collective consumer subconscious.

“It’s not certain that the winners have to be outsiders,” Day says, adding that big corporations aren’t fated to plod toward obsolescence. “It’s a matter of whether they choose to lead the parade or get dragged kicking and screaming into the future.”

And regardless of who wins, says Chopra, these are shifts “that in the end are going to be very good for the consumer.” κ





“It’s not certain that the winners have to be outsiders. It’s a matter of whether they choose to lead the parade or get dragged kicking and screaming into the future.”

**ROB DAY '01**

Partner, Black Coral Capital



FACULTY EXPERT

**SUNIL CHOPRA**

**AREAS OF EXPERTISE:**

Logistics and distribution management, design of communication and distribution networks

- Recent research considers risk management in supply chains and distribution systems in a variety of companies, trying to identify market, manufacturing, and product characteristics that drive the structure of a supply chain.
- Departmental editor for *Management Science* and an associate editor for *Decision Sciences, Manufacturing & Service Operations Management* and *Operations Research*.



If the predictions pan out, the estimated 25 billion devices around the globe that currently connect to the Internet will double in number by the year 2020.

Embedded with sensors, products continue to enter the marketplace with increasingly higher IQs. Today, smart cars, homes, electrical grids, treadmills and other devices enhance our lives and personalize our experiences. Via a broadband network, these “smart things” communicate not only to people but also to each other (machine to machine or M2M).

Hyperconnectivity is upending every facet of society. Smart objects are transforming business practices in health care, utilities and transportation, to name a few industries. At the touch of a screen, intelligent devices are linking consumers to services that only exist because of wireless communication. And innovators from every quarter are taking advantage of ubiquitous connectivity to create, usually by happenstance, new marketplaces.

Entrepreneurs are also taking advantage of digital technology to bring together buyers and sellers in new ways. This trend has seriously disrupted traditional business models, according to **Mohanbir Sawhney**, McCormick Foundation Chair

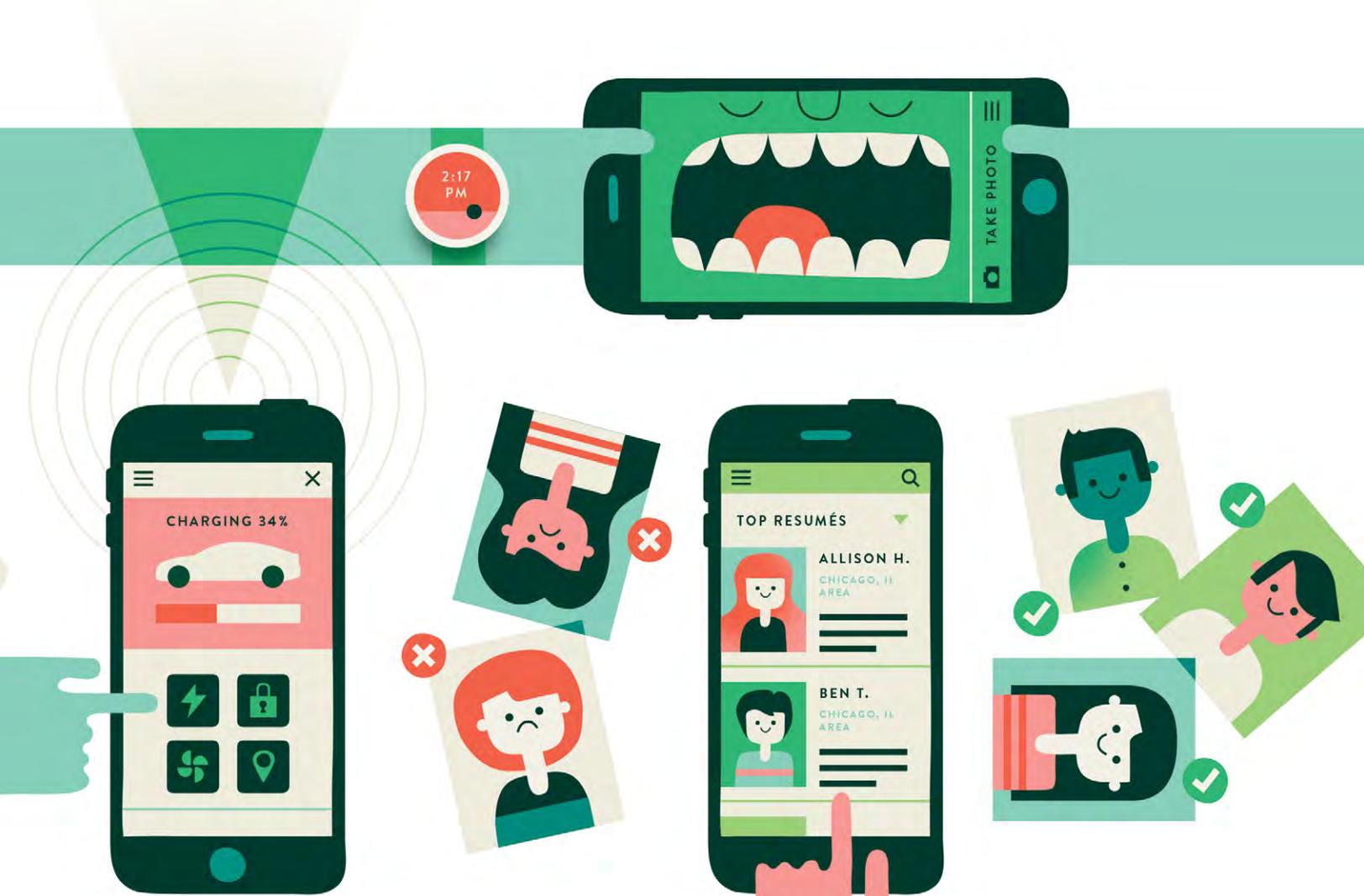
of Technology, director of Kellogg’s Center for Research in Technology and Innovation and clinical professor of marketing. “In our on-demand economy, every service in the future will be enabled by a smartphone or other smart device,” says Sawhney.

### Disruption happens

As Kellogg teaches, innovators first must create strategies that solve problems and offer superior customer experiences before anything else.

“Startups need to build an MVP, test the market and custom develop their products with customer feedback,” says **Daniel Kellmerein ’05**, CEO of Detecon Inc., a San Francisco-based consultancy specializing in long-term digital strategies and co-author of *The Silent Intelligence*, a book about the Internet of Things phenomenon. “There’s no master plan for digital disruption. It’s more an evolution that is accelerating every day, and new market entrants often have an advantage against established players because they can build without legacy infrastructure and complex organizational boundaries.”

From its inception, Tesla Motors embraced the credo of developing outstanding high-performance electric vehicles to support sustainable transportation.



Competing against large luxury sedans, the Tesla Model S has wowed auto industry experts with its speed, handling, ride and unique over-the-air updates. Similar to a smartphone, Tesla vehicles receive upgrades via the Internet rather than at the dealer service center. The Palo Alto, California-based firm sends out software fixes to improve functionality, from enhancing acceleration by fine-tuning the algorithms that drive the motor to alerting drivers that their car may be running out of juice.

This sophisticated level of connectivity has truly distinguished the company in the auto industry — but that is just how Tesla has rolled from day one.

“Tesla was born in Silicon Valley,” says **Diarmuid O’Connell ’96**, the company’s vice president of business development. “Connectivity between the individual and hardware is core to us.” Building “platforms” rather than cars, Tesla can refresh, improve and extend the lives of its vehicles and in part, fulfill the startup’s sustainability mission.

Increasingly, Internet-connected cars have become more akin to large mobile devices than simply a mode of transportation. This concept of computers on wheels will only grow, predicts O’Connell. “Mobile connectivity is challenging people’s assumptions about what cars are and what they are truly capable of providing users.”



FACULTY EXPERT

**MOHANBIR SAWHNEY**

**AREAS OF EXPERTISE:**  
Entertainment and high-tech marketing, information technology, marketing management

- Current research focuses on advanced digital marketing, engagement marketing, business innovation and enterprise analytics.
- Consulted and spoken with more than 100 corporate clients in more than 30 countries and has worked with more than 50 Fortune 500 companies. Co-author of several books, most recently *Fewer, Bigger, Bolder* with Adjunct Professor of Executive Education Sanjay Khosla.





### Revitalizing antiquated industries

Using metal wires and brackets to straighten crooked teeth has been around since ancient times. And while metal braces remain the treatment method of choice, Align Technology, the market leader of clear plastic braces, has steadily chipped away at that traditional market with untraditional tools.

First, the San Jose, California-based company introduced the Invisalign system, a novel technique for aligning teeth predictably while providing a more comfortable feel and an aesthetically pleasing look. And rather than having an orthodontist adjust the braces by hand, computers custom-fit these devices to patients.

“We have fused cutting-edge 3-D scanning software with science to bring orthodontics to the next level,” says **Tom Prescott '92**, who retired as president and CEO in June, but remains on the board of directors. “With digital scanning, dental professionals can virtually model an individual’s teeth and bite with greater precision — a much better value proposition for patients.”

The process works like this: A doctor uses an intraoral scanner to create a digital 3-D model of the patient’s teeth. That file

is then sent to Align, who works with the doctor to create a set of clear “aligners” that are manufactured to the doctor’s specifications using 3-D printing.

Now, more and more dental practices consider digital scanners a must-have, like ditching a slide rule in favor of a calculator. Align Technology foresaw this trend, acquiring intraoral scanner company Cadent in 2011 and leveraging its iTero scanner to further drive adoption of Invisalign treatment.

*“There’s no master plan for digital disruption. It’s more an evolution that is accelerating every day.”*

**Daniel Kellmerit '05, CEO of Detecon Inc.**

“Digital technology is quickly changing dentistry forever,” says Prescott. “Sometimes it takes generational change for innovations to become the standard of care, but I am confident Invisalign clear aligners will do just that in the next five to 10 years.”

## Updating existing business models

Online sales continue to expand into the traditional brick-and-mortar retail market. In the beginning, desktop computers provided the first electronic shopping carts. Now mobile devices — tablets and smartphones — are becoming trusted shopping venues.

A leader in video and e-commerce retail, QVC quickly jumped on the e-commerce bandwagon in the late '90s. As of the first quarter of 2015, online orders accounted for 42 percent of consolidated revenue for the West Chester, Pennsylvania-based company. At first, QVC worried that Internet shopping would cannibalize its broadcast retail sales efforts, but instead it has found a happy medium.

“It turned out our TV programming reinforced the comfort level of our audience with buying online and helped to establish credibility for the e-commerce category,” says **Mike George '85**, CEO and president. “Even 10 years ago, there was a fear factor about having to supply credit card information electronically.”

Storytelling across platforms and creating shared experiences via social media (Twitter, Instagram, blogs and Facebook) allows QVC to engage its core audience: 35- to 65-year-old females. Meanwhile, mobile apps have gained traction with QVC customers. Mobile commerce accounted for 52 percent of global ecommerce orders, as of the first quarter of 2015, and QVC is ranked as the third largest mobile commerce retailer

among multcategory retailers and fifth across all industries, according to the 2015 Internet Retailer Mobile 500 database.

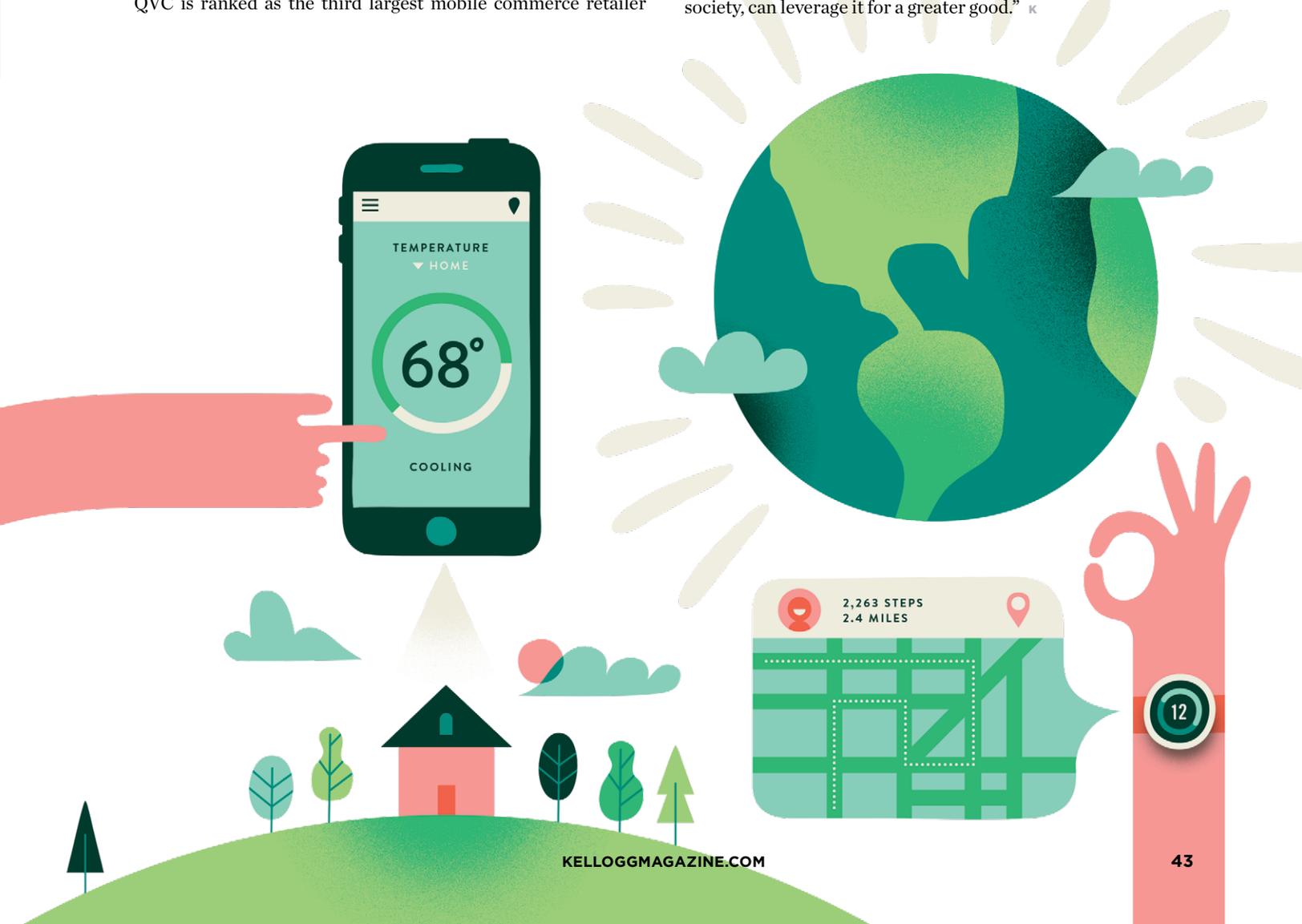
“With two clicks using the iPhone app, for example, our customers can quickly purchase items they see on air,” says George. “It’s a frictionless way to shop.”

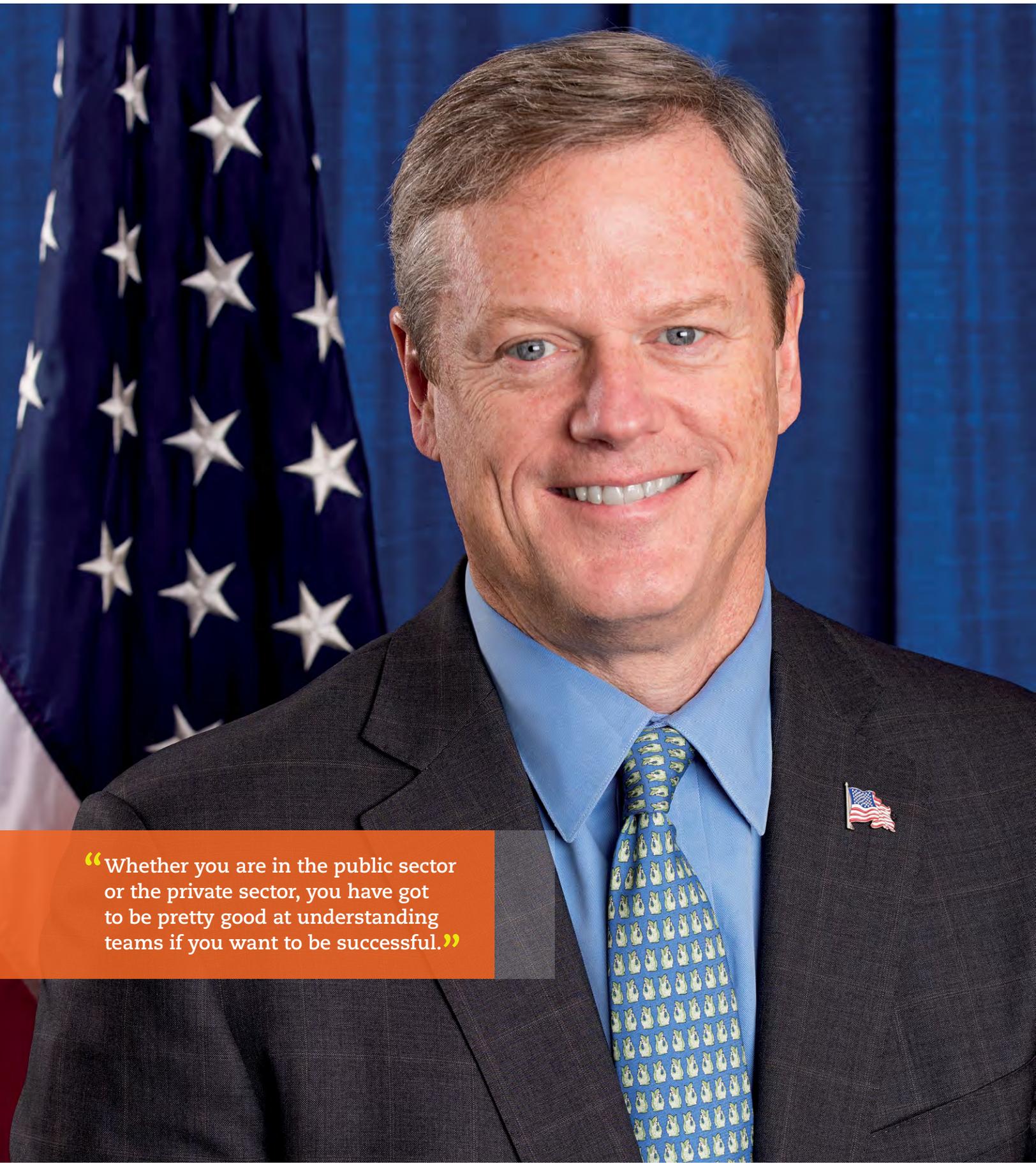
## Bigger connectivity picture

As the connectivity of smart things transforms business models and creates new markets, the possibility of smart cities and even a smarter planet seems to be on the horizon. But to what end and for whom?

Channeling the power of connectivity in ways that benefit society as a whole will take widespread participation — from innovators, policymakers, consumers, educators and advocacy groups, all of whom must help shape the beneficial uses of digital technology, according to **Sonita Lontoh '06**, head of global marketing at Trilliant, a Silicon Valley company specializing in the smart energy sector.

“There continues to be too much of a focus on gadgets and apps and not enough on systems and platforms to translate data into insights and, most importantly, into actions that improve efficiencies and result in a better way of living,” says Lontoh, an Internet of Things expert. “A connected world is a journey and not a destination. Technology is just a means to how we, as a society, can leverage it for a greater good.” <sup>K</sup>





“Whether you are in the public sector or the private sector, you have got to be pretty good at understanding teams if you want to be successful.”

# The bridge builder

CHARLIE BAKER BRINGS TOGETHER BOTH SIDES OF THE AISLE AS GOVERNOR OF MASSACHUSETTS

For **Charlie Baker '86**, one of the most memorable aspects of Kellogg was collaborating with students from varying backgrounds whose perspectives sometimes differed from his own.

Working well with others remains a reality for Baker: He was elected Massachusetts' governor in November 2014 as a Republican in a deeply Democratic state. His election came on the heels of a business career that included serving as CEO of Harvard Pilgrim Health Care, a nonprofit health benefits organization.

"In government you don't get to pick the people you have to solve a problem with or identify a solution with," Baker says. "The message Kellogg sends is this: The days you choose who plays with you in your sandbox are over."

Bay State voters appear satisfied so far with how he's handling the task. A Suffolk University poll in April showed him with a 74 percent favorability rating and a 70 percent approval rating, higher than that of any other state's chief executive. "Even for someone in his honeymoon period, that's a pretty astonishing approval rating," Tom Jensen, director of the Raleigh, N.C.-based polling firm Public Policy Polling, told *The Boston Globe*.

Baker, who had unsuccessfully challenged Gov. Deval Patrick in 2010, won praise for his handling of the blizzards that buried the Boston area last winter. He says he has tried to pick a few key objectives — including tackling a budget shortfall and

improving the state's aging transportation system — without getting distracted.

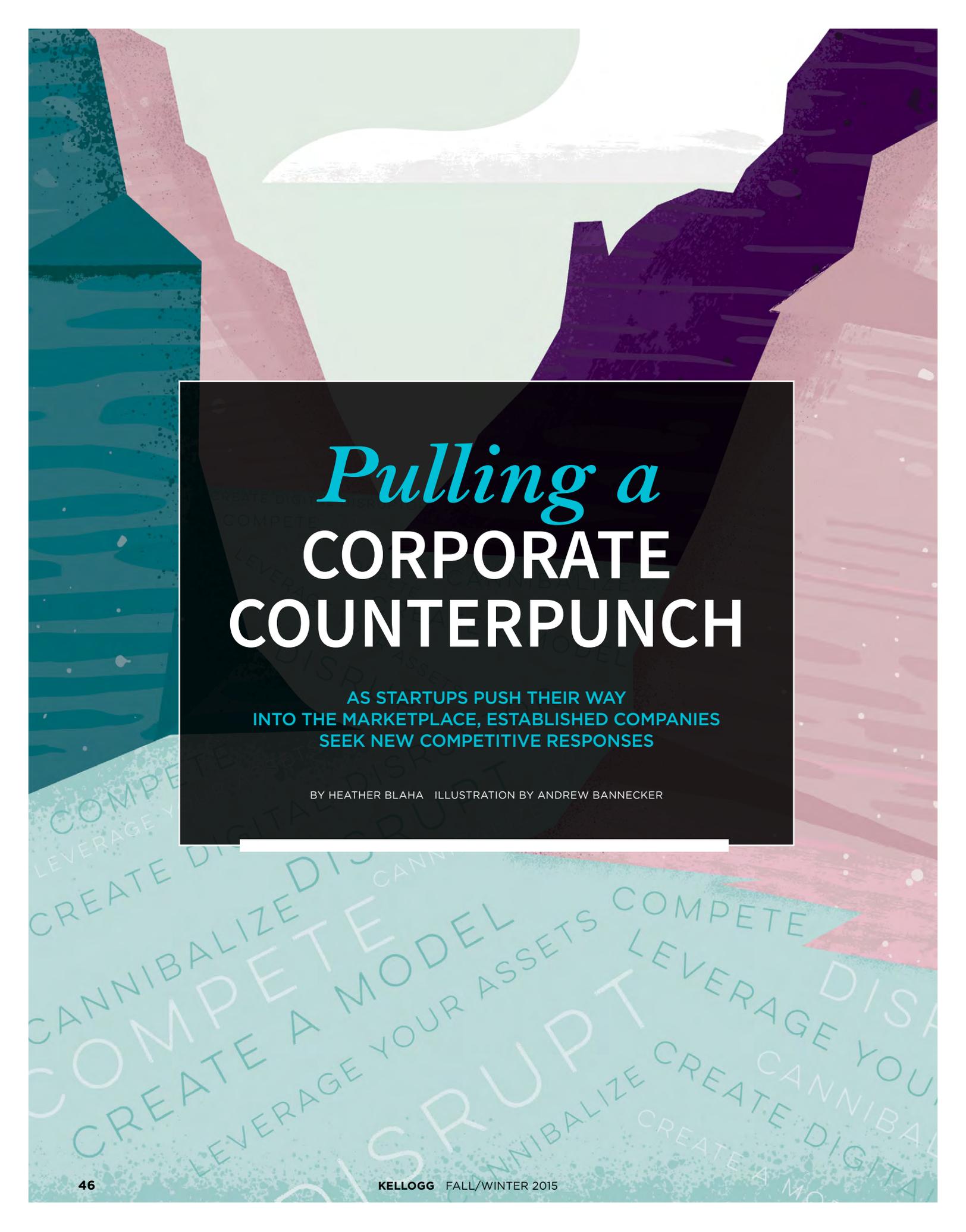
And in keeping with Kellogg's emphasis on teamwork, he has picked a diverse group of team members. "If you look at our administration, we have seven cabinet secretaries and a chief of staff, and they are three Republicans, four Democrats and an independent," he says. "For those keeping score, that's a pretty iconoclastic perspective."

Baker had served under Massachusetts governors William Weld and Paul Cellucci. But he says adjusting his communication style from his business days has been a challenge.

"There's a way of talking to a commonwealth that's different than the people who are your customers and employees and colleagues and suppliers," he says. "It's a much bigger universe."

Baker says he recommends politics to people in the corporate sector interested in public service, but warns that they should get used to being under a microscope. "Everything you say and do is public fodder," he says.

But for those who thrive on teamwork, which Kellogg advocates, politics can be deeply satisfying. He adds: "I would argue that whether you are in the public sector or the private sector, you have got to be pretty good at understanding teams if you want to be successful." κ



# *Pulling a* **CORPORATE COUNTERPUNCH**

AS STARTUPS PUSH THEIR WAY  
INTO THE MARKETPLACE, ESTABLISHED COMPANIES  
SEEK NEW COMPETITIVE RESPONSES

BY HEATHER BLAHA ILLUSTRATION BY ANDREW BANNECKER

**F**or a traditional company enjoying a long life span, being in business no longer means simply staying in business. To keep going — and growing — leaders of established companies know that they must constantly prepare for and engage with disruptive innovation rather than react to or fight against it.

For some, it means acquiring a cutting-edge competitor. For others, it means creating a board of digital advisors to help lead the technological efforts of executives. Others still will find value in engaging directly with a startup, creating a mutually beneficial relationship.

Rather than fighting back against encroaching innovators, today's corporate mindset has shifted more toward generous collaboration, encouraging leaders and employees to always think like innovators — and to be open to outsiders. For many industries, the landscape for moving nimbly and deliberately in the marketplace offers more engagement options than ever.

#### Four ways to respond

According to **Mohan Sawhney**, the McCormick Foundation Chair of Technology, corporations can respond to innovation by taking one of four strategies: attacking, acquiring, absorbing or adapting. “This can be done by disrupting an external disruptor or even cannibalizing your own business, by forming a great marriage, by quickly incorporating innovation activities into mainstream business or by observing, learning and general adaptation,” says Sawhney. “An approach can range from quite radical to one with lower impact and less disruption,” he says, and the desired approach takes corporate history and culture, alongside current market trends, into account.

In the early 2000s, E. & J. Gallo Winery recognized a cultural shift in traditional U.S. wine consumption, says **Stephanie Gallo '99**, vice president of marketing. The relationship consumers had to wine was changing, as smaller, newer wineries were offering both new products and perspective. “Wine was no longer viewed as an elitist beverage,” she says, “but rather as something enjoyed in casual social occasions.” She acknowledged that Gallo's brand needed a shift to live up to their belief that, like life, wine should be more fun and less serious.

The winery's game-changing move came with its acquisition of Barefoot in 2005. Gallo and her team saw Barefoot wines speaking (and selling) to a new wine-drinking audience in a less serious way and at a lower price point, so they sought an acquisition based on the principles of partnership: “We were looking at building and changing our brand organically, and the Barefoot opportunity came to us. We recognized that what Barefoot had

to offer fell in line with the insight that we were already toying around with internally,” says Gallo.

Started by two entrepreneurs, Ernest and Julio, E. & J. Gallo has been a wine industry leader since 1933 — meaning that this family-owned business has been innovative decade after decade. By anticipating and reacting to outsider innovation successfully, according to Gallo, the winery has undergone an evolution approximately every 10 years to stay relevant. “The causes and effects of each evolutionary period may change, but preparation and solutions for the next decade are essential for the success of any company,” she says.

#### Adapting through advisory

One of Target Corporation's strategies for adapting to disruptive innovation — specifically, against Amazon getting stronger — was its creation of a digital advisory board. The board leads

## The 4 A'S TO COMBATTING DISRUPTION

*Professor Mohan Sawhney offers four corporate strategies for dealing with startups trying to steal market share*

**Attack** digital disruptors by creating a disruptor of your own. This is the most radical approach of the four — the idea of cannibalizing yourself before someone cannibalizes you.

*Example: HBO creating streaming services HBO Go and HBO Now in response to Hulu, Amazon and Netflix.*

**Acquire** a startup and keep your cannibals in the family. This is the most popular strategy and can result in a great marriage combining the distribution, scale and assets of the large company with the innovation of a startup.

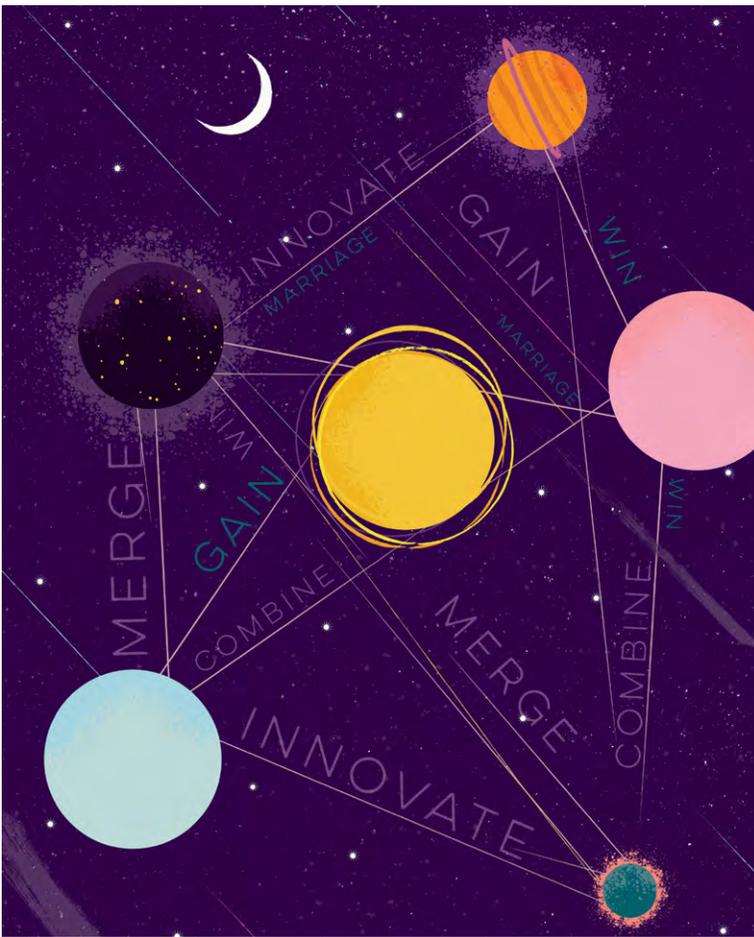
*Example: Allstate acquiring Esurance. Since Allstate agent channels would not let them go direct to customer, they chose to acquire Esurance and keep it at arm's length.*

**Absorb** by incorporating innovative activities into mainstream business. Instead of fighting against the innovators, use their business model.

*Example: A traditional taxi company can learn from Uber by creating its own app with similar features and capabilities.*

**Adapt** by learning from and thinking like digital disruptors. Question assumptions, embrace agile processes, build marketing into products, leverage privileged assets. Think big, start small, scale fast.

*Example: Target Corporation created an internal digital advisory board as a way to improve digital savvy and remain strong against Amazon.*



“How we get customers that they want is going to take a tremendous amount of technology, innovation and creative combinations of assets, but to me, that combination is our differentiator in the marketplace,” says Farsht.

### Connecting corporations and startups

A “spectrum of engagement,” says **Linda Darragh**, executive director of the Kellogg Innovation and Entrepreneurship Initiative (KIEI), can be the best way to develop the most powerful innovative relationships. Rather than the commitment of a contract, she believes that corporations and startups should engage in any level of innovative strategizing that suits both parties. From apprenticeship and mentoring to joint ventures and corporate development, identifying an ideal partner – and depth of partnership – takes significant legwork and a strong methodology.

Seeing a need in the marketplace for connecting corporations to innovative startups and entrepreneurs, **David Weinstein '00** founded Freshwater Advisors in 2013. For the first time, he says, corporations were starting to see their businesses truly interrupted by entrepreneurs. “In a 2012 report by Richard Foster from Yale, it was reported that the life span of an S&P 500 company had gone from about 60 years in 1960 to around 15 years in 2014,” he says.

by technological example, says **Stephanie Gordon Farsht '97**, Target’s senior group manager of innovation and strategy and adjunct professor at Kellogg teaching New Venture Discovery.

In June 2015, *The Wall Street Journal* noted Target as a trendsetter for other companies seeking to improve their digital savvy internally. The power of a digital advisory board, says Farsht, is that it’s a low-risk, highly effective (honest, fast, efficient) strategy for bringing ideas and feedback to the executive table.

Engaging technological experts who can help an established company work smarter and faster in the digital consumer space allows Farsht to fulfill her team’s goal. “Our team is primarily there to disrupt,” she says. “We bring in things that are non-mainstream. We help companies navigate Target that generally wouldn’t have the opportunity to navigate within our organization. We enlist advisors, partners and acquisition targets to really help bring in new ideas to our company.”

So, how does Target position itself against Amazon, which offers a very different consumer experience? Farsht says that as customers want transparency – and power – Target is finding ways to meet them at various points of demand. By giving its customers choice in delivery method, timeline and even on-demand pick up, Farsht and her Target team recognize that they have key assets that a company like Amazon doesn’t: 1,800 locations within a mile or two of 95 percent of U.S. customers.



“Corporations were looking for new ways to engage with startups, but they didn’t know how to do that themselves,” he says. By helping corporations accelerate their innovation needs in a systematic way, Weinstein has led both sides away from thinking about partnerships merely through the lens of investment. To have entrepreneurial strategies infused into their business, corporations were looking to experiment directly with entrepreneurs.

In addition to developing a clear methodology for this service, Freshwater has built a technology to help corporations see what startups are relevant to their innovation priorities, utilizing Freshwater’s scouting network and portfolio software. By matching startups with corporate needs, Weinstein has paved the way for partnerships with Allstate, Exelon, CME Group, Hyatt and Navigant, to name a few.

*“Corporations want to improve their innovation IQ by connecting not just internally on innovative idea generation, but more specifically on external partnerships that will help them with speed-to-market innovation.”*

**David Weinstein '00**  
Founder and Managing Partner, Freshwater Advisors

### Improving innovation IQ

Weinstein adds, “Corporations want to improve their innovation IQ by connecting not just internally on innovative idea generation, but more specifically on external partnerships that will help them with speed-to-market innovation.” With the most agile and successful corporations not slowing down any time soon to deliver on consumer expectations, he believes they are truly disrupting the disruption game.

Another way to explore consumer opportunities — and determine which are best suited for implementation — is to pilot and test ideas, says Farsht. “At Target, we want to throw a lot of things on the wall that we don’t necessarily think are right or wrong, but that we can get a huge amount of experiential learning from,” she says. “One out of 10 of those is going to stick, and then suddenly it will accelerate tremendously fast.” The way to go fast is by partnering, and partnering is something that Target is learning to do better and better, she says.

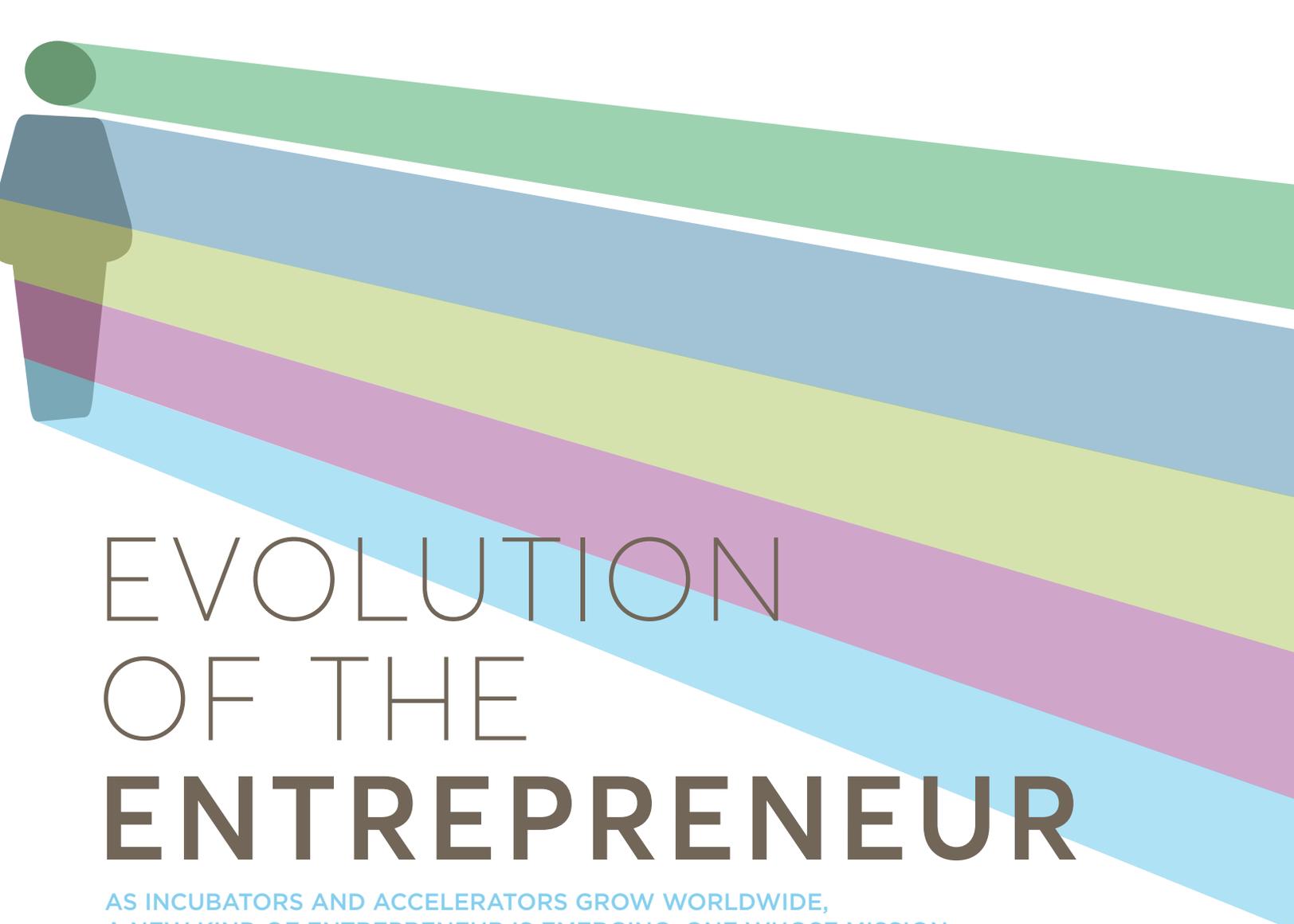
As the head of global loyalty programs for Hotels.com, **Connie Petticrew '88** is also always trying to figure out how

to give people what they want: quick access, many choices. Informed by experiences in a wide range of corporate environments, she acknowledges just how innovative Hotels.com truly is all the time, under the Expedia corporate umbrella.

Adding tiers to the customer loyalty program brought new dimensions and a fuller customer-focused experience essential for an industry ripe with competition, she says. “One of the other things we did was to evolve our lodging offerings — all of which can help travelers earn or redeem more loyalty rewards. If you want to stay in an upscale, standard or boutique hotel, an apartment, bed & breakfast, hostel or even the YMCA, you have that choice,” says Petticrew.

With a name like Hotels.com, she says, there is a very clear message about what the company offers and what you’ll get. “Our North America advertising is all about Captain Obvious, which we have found is exactly what we live up to and what people want: The obvious — along with transparency and control.”





# EVOLUTION OF THE ENTREPRENEUR

AS INCUBATORS AND ACCELERATORS GROW WORLDWIDE,  
A NEW KIND OF ENTREPRENEUR IS EMERGING, ONE WHOSE MISSION  
IS TO HELP OTHERS LAUNCH THEIR COMPANIES

—  
BY SARA LANGEN  
—

As they developed their idea for Groovebug in the NUvention: Web + Media program back in 2011, **Nishant Verman '11** and his co-founders felt like they were onto something: a personalized, rich media music magazine that aggregated content based off a user's iTunes library.

"When we started, it actually didn't work," Verman says, "which was great experience because we learned a lot about what the consumer cared about."

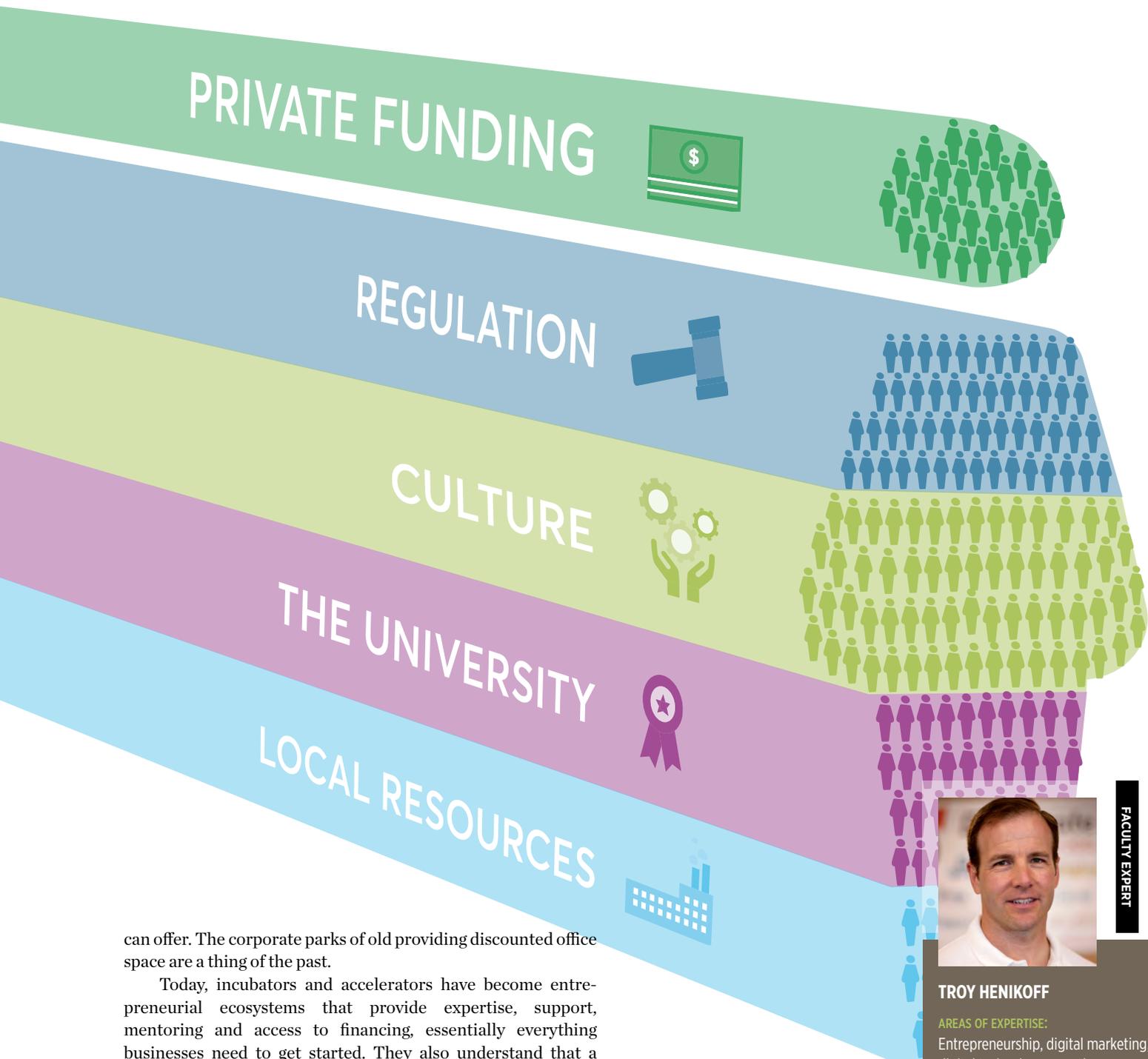
Verman and his team pivoted quickly, creating a new product: a next-generation music app that brings a music publisher's catalog to mobile devices. Verman changed course as well, going on to become senior director of corporate development at e-commerce giant Flipkart in India. But he shares that lesson and many others as a board member at Startup Village, India's

public-private partnership incubator.

Funded jointly by the public and private sectors, the incubator grew out of what Verman and his colleagues saw as a need in India for enabling entrepreneurship in colleges. "We realized if we could make entrepreneurship accessible down to the university level, then we could create a generation where people would be unafraid to take risks because they had not that much to lose," he adds.

## Generation "E"

Entrepreneurs like Verman are becoming the norm, as are incubators like Startup Village. The last decade has seen not only a boom in the number of incubators and accelerator programs around the world but also a radical shift in what these spaces



can offer. The corporate parks of old providing discounted office space are a thing of the past.

Today, incubators and accelerators have become entrepreneurial ecosystems that provide expertise, support, mentoring and access to financing, essentially everything businesses need to get started. They also understand that a long-term focus is critical to building and sustaining these ecosystems, says **Troy Henikoff**, adjunct lecturer and managing director of Techstars Chicago, formerly Excelerate Labs, where he served as co-founder and CEO.

“You have to have a long-term, generational view,” he says. “If you do it because you want to see some great companies, invest in them and turn a profit in the first year, you will fail. If you want to help build an ecosystem that, 20 years from now,



FACULTY EXPERT

**TROY HENIKOFF**

**AREAS OF EXPERTISE:**  
 Entrepreneurship, digital marketing, digital technology growth

- Managing director of Techstars Chicago, a seed-stage accelerator in Chicago, and managing director of MATH Venture Partners, an early to midstage venture capital fund focusing on technical and digital companies.



will be this rich, fertile ground for early-stage technology companies, you will have a shot at building something great.”

### Developing the meta-entrepreneur

In developing these kinds of ecosystems, people like Techstars Co-founder **Brad Feld** have become what Kellogg Innovation Network Co-founder and Executive Director **Robert Wolcott** refers to as a “meta-entrepreneur.”

“It’s an entrepreneur whose mission is to help other entrepreneurs be more successful,” Wolcott explains. “They are leaders who make it their mission to build an organization, ecosystem or program to significantly influence and support the success of other entrepreneurs.”

He got the idea for the term after speaking with **Howard Tullman**, CEO of 1871. A serial entrepreneur who has launched or saved dozens of businesses, Tullman is considered one of the most sought-after entrepreneurial minds. “But now, he has a very different challenge,” Wolcott says, “which is building an entrepreneurial ecosystem at 1871.”

Housing more than 350 digital technology startups and graduating 65 companies in just three years, 1871 goes beyond the term *incubator*, with support from universities, state and

local government, venture funds and hundreds of mentors. And in the thick of it is Tullman, overseeing this huge network of people, capital and ideas.

“I realized there’s no word for him,” Wolcott says. “There’s no word for this role.”

### Beyond the Valley

Greater accessibility to the Internet, enhancements in mobile technology and the widespread adoption of e- and m-commerce mean that these meta-entrepreneurs can build startup-friendly environments in places outside of New York and San Francisco.

“We’re now connected and able to work anywhere because all the resources can be accessed from anywhere,” says 1871’s Tullman. “It’s not just that there are incubators or accelerators, it’s that the overall entrepreneur community now is materially different because people are no longer location-constrained in any respect.”

Because of that, communities full of new and transformative businesses have begun popping up around the world, says **Malcolm Hebblewhite ’00**. “We’re seeing multiple sites popping up as potential candidates where you can start your business because infrastructure has advanced,” he says.

Hebblewhite has a firm grasp on Sydney's growing community of entrepreneurs. He spent years consulting for tech-based startups before joining Ignition Labs, Australia's first niche seed accelerator program for early-stage medical device technologies, as a mentor and investor. Later, he joined tech incubator ATP Innovations as director of business development.

Currently, he works as sales and marketing manager for Rex Bionics, a Sydney-based medtech startup developing exoskeletal walking devices for the physically impaired.

"I wanted to bring to bear some of the experience I had, not just in medical devices but also in startups," he says. "There's a lot of activity around startups in Sydney — a lot of support, a lot of groups, a lot of venues. There's even an increasing amount of investment capital available."

Those growing communities are becoming more and more attractive to venture capital firms looking for a front-line position on all the latest — and potentially lucrative — developments in technology, says **Rodrigo Baer '07**, principal at venture capital firm Redpoint eventures.

Baer knows the territory. He started off co-founding Warehouse Investimentos, an early-stage VC fund based in São Paulo, with classmates **Moises Herszenhorn '08** and **Pedro Melzer '07**. "We were one of the very first VCs in the market here, so it was not only being an entrepreneur and creating your own VC but also being an entrepreneur in the sense of creating a whole different industry that didn't exist."

Now with Redpoint eventures, Baer can walk his companies through the challenging Brazilian market, where infrastructure and attitudes about entrepreneurship are catching up.

"In Brazil, it's harder to get started," Baer says. "It takes more money, time and resilience. On the flip side, once you get some traction, very few competitors are able to come into the market, so once you get over that hill, you're probably going to see better margins."

### Standing on shoulders

Learning and sharing with other entrepreneurs is one of the main benefits of entrepreneurial ecosystems. "What's really great is that you can stand on the shoulders of those who've been there before," Henikoff says.

CEO and Founder of Keyrious, a luxury wearable tech company, **Emily Fallon Baum '13** has had the benefit of learning from others through her role as entrepreneur-in-residence at Citrix Startup Accelerator in Santa Clara, California. It's a program she helped design and which has connected her with many successful mentors. "The Bay Area is a big connector culture," she says. "Many of the people who have made it want to help others succeed."

While she builds Keyrious into a successful enterprise, Baum uses her time at Citrix to help others navigate the winding road entrepreneurs face, making her own path to launch a little less bumpy.

"I really enjoy getting to step out of my own bubble for a bit to share the resources and techniques that I have discovered with other entrepreneurs," she says of her Citrix experience. "Seeing them realize their goals is incredibly rewarding." ❧

## VENTURING INTO A NEW WORLD

EMBA elective teaches the nuts and bolts of capital investment and identifying growth opportunities

The Kellogg-Recanati Executive MBA Program offers the global elective course, *Venture Capital — What's It All About*, presented by veteran IT executive **Avi Zeevi**, a major player in the Israeli VC community.

Zeevi is co-founder and general partner at early-stage tech VC firm Carmel Ventures, which has more than \$800 million under management.

The course focuses on the VC industry, its players and their respective roles. Participants experience the life cycle of investment decisions and learn the VC game plan and best practices of the industry. This allows students to get into the mindset of both parties and learn how to avoid common pitfalls within a classroom environment.

Students from the entire global network can attend, including EMBA students from Evanston and Miami.

"Professor Zeevi's venture capital course is very popular every year, due to several factors," says Jennifer Gerrard, director of Kellogg's Executive MBA Global Network. "Professor Zeevi's depth of practical experience in VC, along with the interactivity of the class and its setting in Tel Aviv, a hub of startup activity, make it a must-take for those interested in understanding the VC industry."



“What I hope comes out of my leadership is the courage to change and innovate. You can’t be afraid to reinvent.”

# The new boss

SINCE BECOMING CHAIR OF CARLSON IN 2013, DIANA NELSON HAS MOVED QUICKLY AND BOLDLY TO ENSURE THE FAMILY COMPANY'S CONTINUED SUCCESS

Curtis L. Carlson used a \$55 loan in 1938 to start his family fortune. His Gold Bond Stamp Company quickly became a household name across the United States.

His Minnesota-based venture, under the Carlson family name, has grown into one of America's largest family-owned companies. Carlson employs more than 100,000 people worldwide, in 1,300 hotels and through its global travel management company. In 2014, the company generated \$35 billion in revenue.

The third to helm the company's board, **Diana Nelson '89**, is following in the footsteps of her grandfather and mother.

Since assuming the chairmanship in 2013, she has reshaped the company's portfolio to secure company profitability and sustainability for future generations.

"The challenge I think in a family company, particularly in a concentrated ownership, is the need to balance history and continuity versus change and innovation," Nelson says. "Part of what you're doing is preserving a family and business narrative. But that can be a trap if you allow the family history and company history to become static."

A key role as chair of the board, she says, is keeping her board, senior management and family shareholders in alignment — a collaborative approach that she says was reinforced at Kellogg.

"What I hope comes out of my leadership is the courage to change and innovate," she says. "You can't be afraid to reinvent."

One of her first tasks was to launch a data-driven and analytical review of the company's portfolio and structure. The review led to the decision in 2013 to shed its TGI Fridays restaurants and refocus on its travel and hotel operations.

"It was difficult to let it go emotionally," she says, noting that her grandfather grew the TGI Fridays brand from 13 restaurants to more than 1,000. "But analytically, it was much easier to make that decision.

"It's the kind of decision where you have to balance emotion and sentiment from close family connections with positioning the company for the long term."

After shedding its restaurant businesses, Carlson assumed full ownership of Carlson Wagonlit, the company's travel unit, by acquiring the minority stake from JPMorgan Chase.

After reviewing its portfolio, the board also moved to restructure its governance after the retirement of its chief executive officer. Instead of one companywide CEO, Carlson appointed separate CEOs for each of its two remaining core platforms. This gave each more autonomy to make them more nimble in addressing specific challenges for each industry, including confronting the shifting tastes and needs of their respective customers.

What hasn't changed, she says, is the company's mission — including her grandfather's commitment to social responsibility.

"When my grandfather founded the company, it was very closely tied to Minnesota and the local community," she says. "Minnesota is a very civic-minded and philanthropic place, and my grandfather was one of the business leaders who believed in giving back." κ

BY BOBBY CAINA CALVAN PHOTO BY JOE TRELEVEN

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# ALUMNI WIRE



58 CLUB NEWS

61 CLASS NOTES

#### IN FOCUS

62 SID LEVY RETURNS

65 DATA REBEL

69 ADVOCATE FOR CARE

74 ALUMNI BOOKSHELF

**Leo Hermacinski '92** and **Jess Cross-Call '02** on the summit of Rosablanche, Switzerland



The Kellogg Alumni Club of the Philippines has held a variety of events this past year. It jump-started 2015 with a market outlook by stock market guru Anton Periquet, chairman of Pacific Main Holdings Inc. The event was held at Willow Root in Manila Polo Club. Alums and friends enjoyed hearing Mr. Periquet share his insights and views about the 2015 market. The night was capped with the introduction of the club's new president, **Luis Sixtus Esquivias '14**.

On March 17, the club celebrated St. Patrick's Day in the heart of Manila's Central Business District in Makati. Alumni and friends wore Kellogg purple and St. Paddy's green while enjoying food, drinks and conversation.

On May 20, the alumni club organized a night of cultural immersion and educational insights at Alphaland Tower in Makati City. Northwestern alumna **Regina Buenaventura '13** delighted the crowd with her violin rendition of a number of pieces by renowned composers. After the performance, real estate expert and country head of Jones Lang LaSalle David Leechiu discussed the outlook of the real estate industry in the Philippines and surrounding region.

The club hosted a send-off event at the Bowery in Fort Bonifacio for Kellogg's admitted students on July 17. Alumni shared invaluable tips and insights on how to survive and make the best out of their Northwestern University and Kellogg School of Management experiences.

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**Chicago**

**Elizabeth Pattara EMP-78**  
 epattara@yahoo.com

The Kellogg Alumni Club of Chicago (KACC) was honored with the Alumni Club of Ex-

**IN FOCUS**

***With Gratitude, Kellogg Awards 2015***

Each year prior to Reunion, Kellogg's most dedicated volunteers and clubs are honored at the With Gratitude, Kellogg Awards celebration and Alumni Club Leadership Summit. We applaud the recipients of the 2015 Kellogg Alumni Club of Excellence, Kellogg Alumni Club Leadership and Kellogg Alumni Club Leader Merit Awards for their outstanding service and commitment to Kellogg.

*Kellogg Alumni Club of Excellence Award*  
**Kellogg Alumni Club of Chicago**

The Kellogg Alumni Club of Excellence Award is presented to an alumni club that has demonstrated strategic leadership and innovation in its approach to connecting Kellogg alumni to one another and back to the school.

*Kellogg Alumni Club Leadership Award*  
**Ahmed Elcott '04, Kellogg Alumni Club of New York**

The Kellogg Alumni Club Leadership Award recognizes a club leader who has exhibited consistent representation of the values of the Kellogg brand and the goals of the Kellogg School in building his or her alumni community.

*Kellogg Alumni Club Leader Merit Award*  
**Sean Lofgren '01, Kellogg Alumni Club of Dallas – Ft. Worth**

Kellogg Alumni Club Leader Merit Award recognizes a club leader who has made significant and sustained contributions to the Kellogg community at large.

cellence Award for fiscal year 2015. KACC made great strides in demonstrating strategic leadership and innovation in its approach to connecting Kellogg alumni to one another and back to the school. The club accomplished this through:

1. Transformation of club operational excellence
2. Diverse professional development opportunities aligned with inspiring growth campaign
3. Innovative approach to strengthen professional networking
4. Data-driven programming and engagement for continuous growth

Eighty members of KACC joined Professor **Jan Eberly** to discuss

macro policy and the changing global economy on May 15 at the historical Field Building. The event provided unique access to the former private apartments of Marshall Field IV, which are rarely open to the public.

A lively group of more than 60 alumni, friends and family gathered for a fun-filled volunteer session to pack nutritional food packages sent to children in over 70 countries around the world at Feed My Starving Children.

◇◇◇◇◇◇◇◇◇◇  
**San Francisco & Silicon Valley**

**Gabriele Saure '02**  
 gabriele.saure@gmail.com

On July 19, 2015, **Gerron Vartan '67** (WCAS65) and his wife Judy (SESP66) hosted a welcome event for Kellogg interns and 2015 graduates. The event was designed for interns and new grads to get to know each other and the Kellogg alumni leaders in the region (Club, Kellogg Alumni Council and Pete Henderson Society). The Fun in the Sun event was graciously hosted at the Vartan home in Atherton, California, and guests enjoyed swimming, croquet, bocce ball and volleyball, great food, beer, wine and valuable networking with engaged Kellogg alumni leaders. More than 60 interns, 2015 grads and alumni leaders attended.

Chicago-West

Bill Liu '97

billymliu@gmail.com

On June 16, the Kellogg Alumni Club of Chicago-West welcomed **Professor Harry Kraemer '79** to an exciting forum for Kellogg alums on his new book, *Becoming the Best: Build a World-Class Organization Through Values-Based Leadership*. Professor Kraemer spoke candidly about how individuals need to be introspective and use self-reflection, balance, true self-confidence and genuine humility to really become effective leaders. Professor Kraemer's anecdotes and insights encouraged discussion, and his willingness to linger well after his presentation was greatly appreciated by all. **Bill Liu**, chairman of the Kellogg Alumni Club of Chicago-West, commented, "Professor Kraemer, with his extensive leadership in private equity and experience teaching strategy in the classroom, drove an engaged and insightful discussion on what being effective truly

requires. The Kellogg alumni who attended were engrossed by this event." Professor Kraemer's talk was held at Sikich LLP in Naperville and was well attended with more than 65 alumni, all of whom went home with copies of his new book. All proceeds from the sale of the book were donated to the One Acre Fund, an organization started by a Kellogg alum that carries out its values-based leadership in support of farmers in Africa. Standard Market, a Kellogg-owned business, co-sponsored the event with Sikich.

New York

Ahmed Elcott '04 and Prateek Aneja '09

kacny@kellogg.northwestern.edu

The Kellogg Alumni Club of New York (KACNY) offered a variety of thought leadership and social events to the New York alumni community during 2015.

Continuing KACNY's recent push to partner with leading business schools, the club co-sponsored a finance event with Columbia Business School on family office investments at Northern Trust. Microsoft Co-Founder Paul Allen and hedge fund legend Julian Robertson spoke to the sold-out crowd about how family offices invest in private equity, hedge funds, real estate and other alternative investments. The panel also included David Albright of Northern Trust's Global Family Office, **Nathan Troutman '86, Matthew Bender '05** and was moderated by **Ahmed Elcott '04**.

At another event, Harry Kraemer joined KACNY to discuss his new book, *Becoming the Best*, which showcases the traits of today's most effective leaders. The session included an extensive Q&A, and the crowd lingered well after the event concluded.

In the spring, KACNY hosted two career events. Our LinkedIn event was chaired by Kellogg's Career Management Center's

**Matthew Temple '93** and featured a lively discussion on using LinkedIn both for keeping in touch with colleagues and for general job searches and career advancement. Subsequently, the club hosted an interactive presentation on Twitter hosted by two Kellogg alumni entrepreneurs, **Gieriet Bowen '92** and **Kendra Olvany '92**.

June's Kellogg TG event was held at Diageo's Fifth Avenue location and was hosted by **Johannah Rogers '10**. The event included opportunities to meet with senior Diageo managers, enjoy views of 5th Avenue and enjoy cocktails created by Diageo's mixologist.

The February and June dinner series included various locations in Manhattan, Brooklyn, New Jersey and Connecticut. Each dinner was sold out and provided an ideal way to spend quality time and enjoy a good meal with fellow alumni. Finally, the monthly TG Fridays drew a diverse segment of alumni and were an ideal start to the weekend.

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# CLASS NOTES

SEE WHAT YOUR CLASSMATES HAVE BEEN UP TO



◀ WHU-15 Japan reunion trip, left to right, **Rodrigo Lourenco**, **Marco Borghesi**, **Kjetil Molokken-Ostvold**, **Uta Hoffmann**, **Fumio Kita**, **Laddan Hashemian**, **Marc Kleemann**, **Stephan Herrel**, **Anida Omerbegovic**, **Alexander Wagner**

## 1975-FT

**John Bluford** started the Bluford Healthcare Leadership Institute for undergraduate college minority students. The program starts with a two-week-end, didactic, all-expenses-paid experience in Kansas City, with a stipend of \$1,200. Students are exposed to nationally recognized speakers and go on field trips to health care organizations. Programs conclude with a summer internship experience in the United States at a health care industry-related job site. The program is very competitive; students carry an average GPA of 3.5. Candidates typically come from HBCUs.

**Judith Longmeyer** has volunteered at the Phoenix Zoo since 1994. She primarily works with

horses dedicated to the zoo's unique teaching programs.

## 1976-FT

**James K. Shaw** has joined the law firm of Roetzel & Andress LPA as counsel. James works from the firm's Chicago office, where he focuses his practice on federal taxation matters with special emphasis on employee benefits.

## 1978-FT

After teaching at Harvard Business School for several years, **Blythe McGarvie** decided to

research a book and focus on board service. She serves on the board of directors of several companies. She and her husband found an apartment in Zagreb, Croatia, for the academic year, as he has a Fulbright Scholarship to teach at the law school. She will return for board meetings and to research a book she is writing about "a reluctant rebel."

## 1979-FT

From Connecticut, **Rick Jaffe** and his wife, **Francoise Jaffe '88**, report that their oldest, Gregory, has graduated from the University of Michigan Medical School. Their middle, Claire, is two of five years into a doc-

tor of psychology program near Philadelphia. The baby, Julia, graduated Wellesley and is considering grad school. Francoise is a practicing LCSW and psychotherapist. Rick may be retired from brokerage IT, but is looking for the right business idea.

## 1980-FT

**Makoto Hara** is very sorry to miss the 35th anniversary reunion, while so happy to attend her son's commencement at the University of Michigan, where he received a PhD in engineering. He is now a researcher at one of the Princeton labs. She sends her best wishes to friends from KSM.



**Lynnette Hinch** has been with Reynolds Consumer Products for five years. She is marketing director for Hefty disposable tableware and responsible for brand management and new product development. She's having fun with digital advertising, social media and sponsoring the Chicago Cubs. Her two sons are in high school, and while time is flying by, her family is healthy and happy.

**Phelps Hoyt** moved from Iowa to New York in 2014. He is now head of credit research and strategy for GIC Private Limited (Government of Singapore).

**Lewis Hunt** was offered an opportunity to retire from CSX that was too good to turn down. So, in January, he said his goodbyes and moved on. Now he is employed by the Coastal Region of the Genesee and Wyoming, a holding company that owns railroads in 43 states, Canada, Australia and Europe. He gets to spend much of his time in Florida, South Carolina, North Carolina and Tennessee working with customers. What's not to like about that?

After going to art school part-time for six years, **Alison Levy Klein** graduated from the Illinois Institute of Art with a BFA in interior design. She's been running an interior design business while going to school and plans to continue helping her clients create their dream homes as she leaves academia behind. If anyone is thinking about going back to school and wants to talk about it, give her a call. She notes that going to school is such a great experience at her age.

**John Kriz** recently travelled through Armenia and Georgia, including the Svaneti region, along Box Canyon and high in the Caucasus, which is serviced by only one road. The food was abundant, with much local wine to accompany it. While hiking near borders, he came across

several military patrols. Back home in Connecticut, he joined his town's planning and zoning commission. He remains active in several farmland preservation and nutrition charities.

**Mary Madick Morrow** joined Gateway Health as vice president of strategic initiatives in January, which, after five years of near constant travel, brought her back home to Pittsburgh. She's enjoying time with family, including daughter Maggie, who recently graduated from Duquesne University's School of Law and swiftly found employment. She is happy to be with her son Ed, who is a junior at Duquesne, husband Rodger and five rescue Great Pyrenees.

In the fall, **Michael Mandala, SJ**, was inaugurated president of Verbum Dei High School in the Watts community of Los Angeles. The "Verb" is one of 30 college prep Cristo Rey Schools across the country for inner city students. One hundred percent of graduates are accepted to college. All students intern at corporations in an innovative work-study program. The program cuts the cost of education in half. Parents pay a sliding scale tuition, and financial sponsors contribute the rest. Visit the school's website at [www.verbumdei.us](http://www.verbumdei.us)

In March 2015, long-time Baird associate **Terry Maxwell** became the firm's CFO. Terry was at Baird from 1986 to 2006 and was head of investment banking. He rejoined Baird last year as director of corporate development and strategic investment following several years in academics.

All is well with **Karl O. Mills**. He is aging gracefully and maintaining a healthy sense of humor while puzzling life's big questions like, "How did kale become so popular all of a sudden?" He assumes that a Kellogg marketing genius was behind kale's emergence from obscurity. He imagines said Kellogg genius

mused, "See that green stuff you are feeding to your horses? You see weeds, I see superfood." He predicts that in five years kale will be on every restaurant menu in the country, right next to salted caramel.

**Catherine Morales**, who recently moved to the Austin, Texas, area from the D.C. area, travels frequently to San Francisco, and after attempts to meet **Karen Vangsgard Lithgow**, **Bob Egan** and others, **Murli Thirumale** suggested a reunion. The Kellogg Bay Area Class of '84 Reunion was held on June 27, 2015 and was hosted by Murli Thirumale and Bob Egan at Murli's house. **Allen Weinberg**, **Joan Bolz Cleary**, **Karl Mills** and **Peter Grace** also joined them. Everyone was in very good form, and they are planning another mini reunion.

**Candace Quinn** (formerly Hulsebus-Fong) joined Professional Research Consultants as its first-ever COO in early 2014. PRC is a market research firm dedicated to the health care industry and committed to assisting health-care organizations focused on achieving excellence as a standard. She moved to Omaha with husband Michael and has now entertained all seven granddaughters with everything Omaha.

## 1987-FT

**Glenn Sykes** has returned to Chicago after 13 years working abroad in Barcelona, Singapore and London. He has a new role at Chicago Booth, heading up the Evening MBA and Weekend MBA programs, as well as supporting the faculty's program innovation initiatives.

## 1988-FT

**Scott Ableman** is CMO at The Teaching Company, which produces and distributes The Great Courses, college-level audio and video courses. He and wife Debbie, son Ethan and daughter Hannah travelled to Lisbon, where Scott racked up lots of steps on his Fitbit.

**Mariellen (Sullivan) Carpenter** and husband, Noble, are still living in the New York area. Mariellen is working in residential real estate in New York City and Lower Westchester for Olshan Group LLC, and is always open to referrals. Noble is working in commercial real estate as the president of capital markets for Americas at DTZ, a global commercial real estate company. She has four children. The oldest graduated from college and is working in NYC, the middle two are in college, and the youngest is a freshman in high school.

**Gary Cohen** spent three years as president and CEO of Timex, but he recently left the position to become CEO at Qualitor Automotive Inc. He's based out of Connecticut and often jets to Florida and Ohio.

These days **Steve Langer** is at Sears Holdings, gaining experience in e-commerce product development. Steve has enjoyed owning a piece of code, rather than a cell phone as a product, and gets a real kick out of seeing something worth changing, making the change, pressing "go," and there it is for the public to enjoy in two minutes. He enjoys the instant gratification, and hopefully, business.

After battling a cancer growth on his heart through many rounds of chemo and surgery, **Amy (Wahlert) Principi's** son, Nick, is now five months cancer free.

**Debbie Rechter** is managing director, co-head U.S. Investor

Sales, Fixed Income, Currencies and Commodities at BMO Capital Markets. She's enjoying life in Chicago with her husband, Fred, and three daughters. The twins are in college, and one child is in high school.

1990-PT

**Leslie J. Rechan** has joined the PROS (NYSE: PRO) board of directors. Les is a resident of Ottawa, Canada, and was most recently general manager of IBM's Business Analytics Division and formerly COO of Cognos. He's held executive leadership roles with Oracle, Siebel Systems, Cadence Design Systems and Onyx Software. He currently serves on the boards of Halogen Software and Cognitive Scale.

1991-FT

**Kristin Grundmann**, along with her husband and colleagues at Grundmann Consulting, are supporting the professional careers of top athletes as they prepare for the 2016 Olympics in Rio. Grundmann Consulting was recently awarded the Solidarity Coaching Award by the European Mentoring and Coaching Council. Kristin is having a great time giving back to society and is looking into attending the games in Rio.

1992-FT

**Gerard Beenen's** four kids are doing well and visited England and Scotland last summer.

Gerard was recently awarded tenure at Cal State Fullerton, where he is currently vice chair of the management department and acting associate dean for graduate programs in the Mihaylo College of Business and Economics. He teaches undergraduate and MBA courses in organizational behavior, leadership, negotiation and organizational change, and his research focuses on workplace motivation and learning. He's also an adjunct professor in the MBA programs at Carnegie Mellon University and UC Irvine, where he is a visiting associate professor during his Fall 2015 sabbatical. He completed his PhD in organizational behavior and theory at Carnegie Mellon in 2008. He still does occasional consulting projects and is an advisor to several organizations. He and his family are active members of Irvine Presbyterian Church. He regularly enjoys surf sessions before work in Newport Beach.

After more than four years as CMO at Jaspersoft, **Jim Bell's** company was acquired by TIBCO Software in April 2014. He is now having a blast as CMO at Glint, a startup software company focused on measuring and improving employee engagement. The company launched in February 2015 and released a mobile app in July. On the home front, his wife, Angela Comstock, is doing part-time finance work for a couple of clients and continues her school and community work. Their kids, Lauren (17) and Jack (15), are enjoying high school as a senior and freshman, respectively. Life, he reports, is great.

**Pat Burns** reunited with **Bill Lakenan** (now with KPMG). Bill assists Pat with strategy and execution at Johnson Controls Inc., where Pat is vice president corporate strategy. Pat notes that it is cool to "literally run in to him in the hallways now and then." Pat's daughter, Lau-

ren, started her undergraduate program at Northwestern last fall; and so he tells son Patrick that he has to go to a service academy. Pat also ran into **Dean Chamberlain '92** at the Army/Navy game last autumn. Pat said, "It was great to catch up with him to hear about his family and how he's growing Mischler Financial."

**Carter Cast** continues to teach at Kellogg (entrepreneurship), so if you find yourself wandering around the Jacobs Center in Evanston, he'd like you to look him up. He got together with **Doug Struckman** last month and he still looks like he could play tight end for the Princeton Tigers. Carter suspects that Doug either eats like a supermodel or suffers from a tapeworm.

**Riff Coven** notes that life seems to be all about work, fatherhood and little else. His company, PaceControls, is working to close its B-round cap raise, which includes a major strategic investor. At the same time, his company is gearing up for massive growth, which means little time off. He took his family to Evanston for three weeks — where he worked remotely — and took a few days off to visit family and escape a chunk of the muggy Maryland summer.

After 10 great years with Experian, **Rick Erwin** moved from Chicago to the Bay Area to run the much larger global data and analytics business for Acxiom. He sees his new role as a chance to expand his influence in the rapidly growing industry of data-driven advertising, but he does miss his great Experian colleagues (including Kellogg alum **Rick Gallagher '92**). He loves being at the epicenter of marketing innovation. He works on making it possible for all ad media to be targeted and measured at the individual or household level, while protecting consumer privacy. Acxiom will do nearly \$1 billion this year

and is growing rapidly. His wife, **Dixie Adams '96**, continues to thrive at IBM, running the strategic outsourcing business in the NA Industrial Sector.

**John Fanning** is the new director of college initiatives for Aspire Public Schools, a 38-school charter management organization, and is enjoying this great new opportunity. His position will keep him in the San Francisco Bay area. He'd love to hear from you if you're out his way.

**Joe Fisher** is extremely pleased that his stepson, Austin Wilson, is attending Kellogg as a member of the One-Year MBA Program Class of 2016.

**Larry Gies** participated as a panelist at a Kellogg event. He has built a \$5 billion industrial business from scratch since graduation with Madison Capital and now Madison Industries.

**Gary Ger** recently welcomed a new baby into his family.

While **Ken Graves** loved his eight-plus years in Tokyo, where he was partner and Japan practice head for LEK Consulting, he transferred back to the United States this spring. He's back in his old stamping grounds as part of LEK's Chicago office and looks forward to reconnecting with classmates in the area.

**Jeffrey Gilbert** thinks he might be the oldest first-time parent in the class. He and his wife welcomed daughter Shannon Kate into the world in October 2014. He reports that he has received a full night's sleep, and he and Jenilyn couldn't be happier.

**Leo Hermacinski** achieved a long-held ambition when he skied the Haute Route from Chamonix to Zermatt in April 2015. He joined a party of six, which, by chance, included NU 2002 grad Jess Cross-Call, so Northwestern was well represented. The weather was unbelievably good, and they had snow for the six-day trip. He's



now back at work planning similar escapades for next year.

In August 2014, after six years in Southern California, **Kevin Hykes** moved his family of six back home to Minnesota, just in time for the start of high school. The decision was tough for the family, but they could not resist Minnesota's unique combination of California-like taxes and Polar Vortex weather. He is still in the medical device space and is currently CEO of an early-stage venture, Metaventon, focused on type 2 diabetes. He also moonlights as an operating partner for Versant, a Bay Area venture capital firm. His son is friends with **Lana (Etherington) Slavitt '92's** son, so he sees her relatively often at school. She lives nearby in Edina, Minnesota, where they've resettled. **Bill Sharpe '92** lives nearby and reports that his kids are now off to college. They are adjusting

to life with an empty nest.

**Mark Jicka** recently left his post as managing director at CIBC World Markets in New York and is now an independent investor.

**Lisa Krutzel Katzman** lives in northern Virginia with her husband, Evan, and daughter Caroline, 15. Lisa leads marketing efforts at Optisave, a health care IT consulting firm. She travels extensively with her family for Caroline's skating competitions. Son David, 18, is a freshman at Bates College, where he plays hockey and studies chemistry and economics. She enjoyed exploring Maine this past summer.

**Sue Doctoroff Landay** is pleased to report that after an anxious battle with breast cancer, she is back to her healthy self. Her company, Trainers Warehouse, continues to run strong, and the new brand

she launched in 2013, Office Oxygen, is really starting to grow. She's excited to work on something new, and she's even more excited to be developing a product line that "breathes new life into the workplace" and makes work feel a little less like "work." Her two boys, 11 and 13, are full of laughter, sports, school and inappropriate language. Her husband, Bill, is hard at work on his next book.

**Chris Martin**, president of Combined Insurance's worksite division, has been inducted into the Workplace Benefits Association's Worksite Marketing Hall of Fame. Each year, inductees are chosen by their peers, based on an individual's career achievements and contributions to the voluntary benefits industry. Chris came to Combined Insurance in 2011 and, as president of Worksite Solutions, the Glenview, Illinois-based company's workplace volun-

tary benefits division, he is responsible for providing leadership and management of the business, including strategic planning, sales growth, market development, producer relations and operations.

**Dmitry Paramonov** started a new position in Moscow as the managing director of Abbott Labs Diagnostics. His wife, Minako, and daughter, Sofia, are enjoying life in the bustling metropolis, where Minako is exhibiting her artwork. Sofia is a sophomore at the Anglo-American School of Moscow. Son Dennis just wrapped up his sophomore year at Parsons School of Design in New York City.

2014 was a year of building stuff for **Steve Rappaport**. He finished a reconstruction of his company's headquarters and built and furnished a new flat in the Austrian Alps. He's really happy with the results and even

## IN FOCUS

# Data rebel

**Tamara Gaffney '97 turns numbers into narratives**

What Tamara Gaffney finds so rewarding about digging through big data is that to develop a hypothesis and gain great insight, one doesn't always have to start at the top. "Non-conformist and non-linear thinkers are rewarded with greater insight in the world of big data," she says.

And a non-linear thinker she is.

As the Principal Analyst at Adobe Systems, Inc., Gaffney was named one of the top 20 Big Data All Stars in 2014 by *Fortune* magazine, a recognition that emphasizes a successful three-year streak using a predictive model to analyze eCommerce holiday spending. That model now includes over 10 countries and has been within 1 percent accurate each year.

Having come to big data "quite by accident," Gaffney still credits her early years in the advertising industry for grounding her entire career. In advertising, she "learned how to analyze media publications for major product launches," and digging

deeper into data over recent years has allowed her to make "marketing the most valuable role," on a whole new level, for Adobe Systems.

The accolades don't stop with *Fortune*: In February of 2015, Gaffney was named to the *DataIQ* Big Data 100 "power list" in the U.K. Having spent her career helping to define the role of data programs and meaningful outcomes, she is proud to discover, analyze and deliver the information in a useful way. "I am able to quickly see patterns or surprising insights from within an analysis and make the leap from insight to storyteller," she says. "I then take a stand on what the data means in very simple and easy to understand terminology. Big data shouldn't seem complicated to others when presented correctly."

Gaffney works to not get too caught up in accuracy. Instead, she focuses on the "fine balancing act between speed, flexibility and accuracy," like a true non-conformist analyst.



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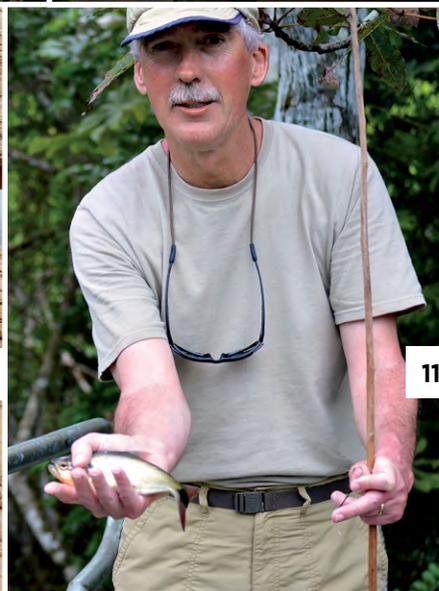
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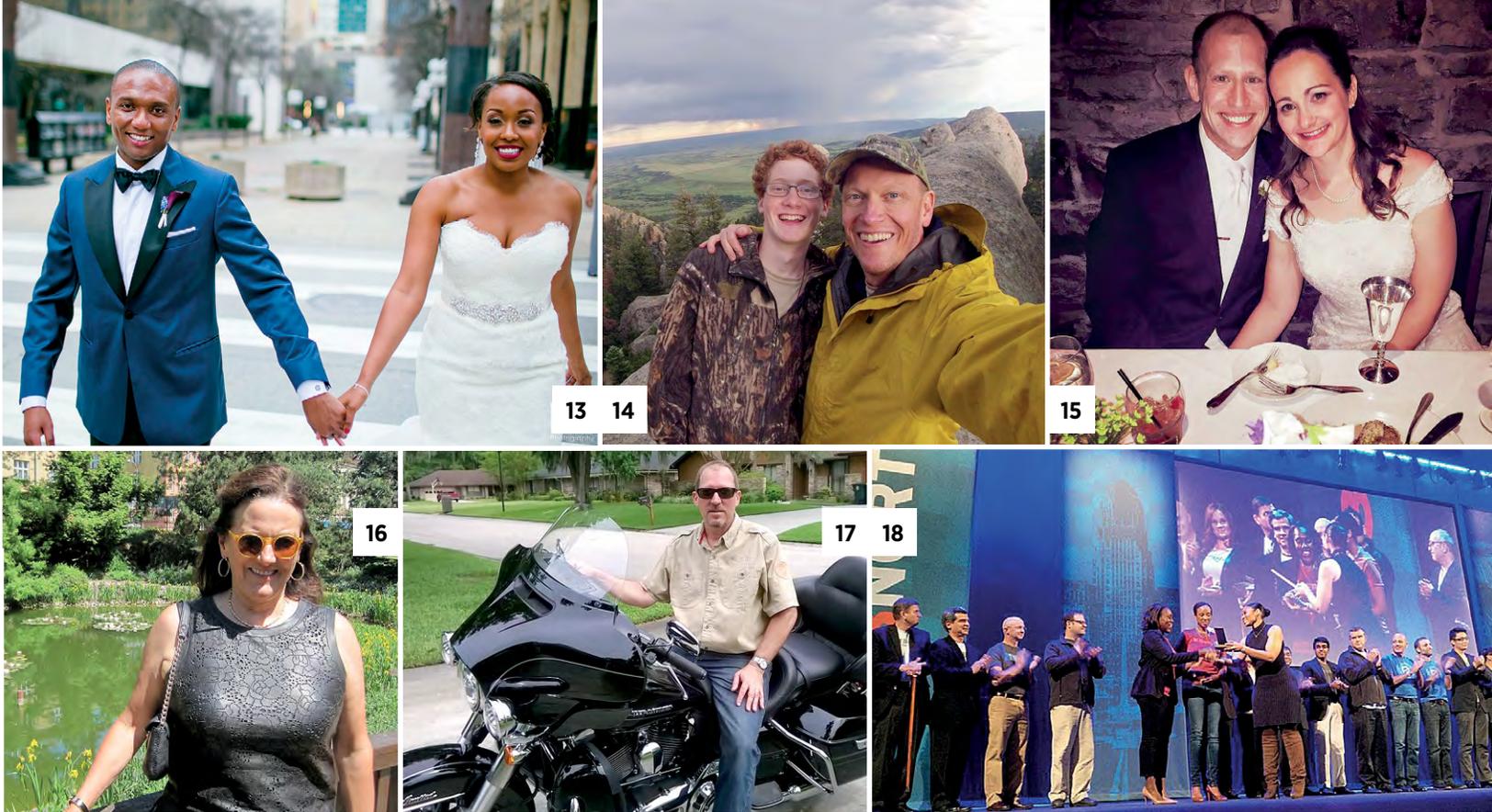


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**1** Rich Family Portrait 2014, from left to right: Nolan, Haley, Nathan, **Kelley '95** and Kris **2 Mike Wien '75** speaking about his new book, *The Specific Edge* **3 John Welsch, Greg Doman, Phil DeSantis, Tom Price, Keith Brown, Ross Posner, Joel Flatt (all '92)**, en route to annual golf trip **4 Rachael (Lester) '05**, Michael & new baby Austin Wright **5 John Bye '03** and Chris Kachinsky-Bye on top of Rocky Mountain National Park during their annual IronMan training week in Colorado **6 Jeffrey Gilbert '92** and daughter Shannon Kate **7 Kellogg Alumni Club of the Philippines** prepares admitted students for their studies at Kellogg **8 Bonnie Simpson Mason '13, MD**, recently received the 2015 American Academy of Orthopaedic Surgeons Diversity Award **9** From left to right: Dr. Jill Biden, wife of U.S. Vice President Joe Biden, **Karl D. Safft '93** and Suzan LeVine, the United States Ambassador to Switzerland during a recent trip to Switzerland **10 Kathryn Zwack '95** and family at Arches National Park, Utah **11 Bill Black '84** with a trout he caught in the Peruvian Amazon **12 Trish Lambrecht '98, Mike Shelton '98** and Julie Shelton **13 Evan Sharp '12** and **Tarra Thomas '13** wed in March of 2015 **14 Brad Johnson '93** and son Randall at Philmont High Adventure Base in June 2015 **15 Daniel Kamerling '11** and **Kristin Jones '11** **16 Blythe McGarvie '78** at the Botanical Gardens in Zagreb, Croatia **17 Lewis Hunt '84**... not a work day **18 Lauren Washington '11**, co-founder and CEO of KeepUp, wins \$250,000 at the 43North business-plan competition in October 2014 **19 Mariellen Sullivan Carpenter '88** and **Noble Carpenter '88** skiing in Val Thoren's, France in February 2015 **20 Ian Lacy '02** with Michael, Benjamin and Abigail Lacy **21 Emily LeMaster O'Brien '06** with her newest additions **22 G-Force members** from left to right: **Karthik Chandrasekaran, Ryan Bouchard, Andy Maus, Bridget Calendo-Spaeth, Masoud Loghmani, Brad Riley (all EMP-85)**

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happier to be finished with construction so he can start skiing. He also enjoyed a visit by Eva and **Riff Coven '92** and family over the summer. Their daughter is a few years older than Steve's eldest son, Benjamin, who started Montessori in 2014. His brother, Joshua, will join him this autumn.

**Ron Squarer**, CEO of the Boulder, Colorado-based Array BioPharma (NYSE: ARRY), was recently featured in an article about Array's regaining worldwide rights to binimetinib, an innovative late-stage oncology product. He is pleased to report that he and his colleagues were able to avoid circling the wagons in a vain attempt to defend the value of their drug after losing a big pharma development partner.

**George Thornton** is still burning up the track at Ford. He, his wife and two girls are still enjoying China, but now in Shanghai. "Leadfoot" reports that Ford is growing massively in Asia, but the business climate is volatile. His upcoming adventure is a trip through Tibet on a Chinese replica of a 1938 BMW sidecar.

**Jim Winett** enjoyed a Whole Life Challenge virtually with classmates **Bruce Spear '12**, **Drew Koecher '12** and **Steve Rappaport '12** — it was a great health and fitness challenge! Jim's consulting business is going well. In 2014, he bought and sold an interest in a mobile healthcare services company. He's active in a new startup, raising capital in a self-tracking big data analytics and recommendation software engine for health and fitness, and recently became an executive-in-residence mentoring early-stage companies at the Los Angeles

Cleantech Incubator, recently named one of the world's top ten university-associated incubators. He is also a co-founder of The Early X Foundation, which helps companies and government research labs unlock innovation and commercialize underutilized intellectual property.

**Gary Zentner** bought a house in Palm Beach Gardens, Florida, after living in apartments and condos his whole life. His kid gets more room to run around, his wife gets to shape the living space and he finally can grill without breaking some local ordinance or condo by-law. His recent passion project is with **John Martin '95**. They have negotiated a book option deal with Pulitzer Prize-winning author Ron Suskind for his *New York Times* best-seller, *A Hope in the Unseen*. They recruited Mike Tollin of Tollin/Robbins and Mandalay Entertainment Group to be their advisor through the development process. They are currently recruiting charitable and socially conscious parties to help fund the development phase so they can get their movie made. He encourages you to read the book and let him know what you think.

1993-FT

**Alkistis Economou** and husband **Konstantinos Vossos '93** moved to Madrid, Spain, with their two children and really enjoy living there. Alkistis would love for anyone visiting Madrid to please send her a note. She would love to get together after all these years.

**Brad Johnson** is back at Owens Corning where he is responsible for roofing contractor relationships. He and son Randall hiked more than 80 miles in 12 days with a crew at Philmont Scout Ranch in New Mexico.

After nearly 13 years in D.C., **Emily (Malatesta) Kelton** is headed to Colorado. She, husband Steve and 4-year-old twin boys arrived in Boulder at the beginning of August. She is particularly interested in the startup/social enterprise community in Boulder and is open to business development, fundraising and leadership roles for companies, nonprofits and universities. She would love to connect with any Kellogg folks in the area and can be reached at emilykelton@gmail.com.

In **Karl D. Safft's** function as president of the Swiss Fulbright Alumni Association, he had the privilege to discuss aspects of the Swiss education system with Dr. Jill Biden, wife of U.S. Vice President Joe Biden. Dr. Biden recently visited Switzerland to learn more about their vocational training program.

**Steve Schultz** founded Moveable Feast Mobile Media. The app is based on the idea that there's a whole new storytelling ecosystem that can grow up around walking tours, but never could before mobile technology. Moveable Feast isn't about points on a map; it's about how points on a map can come together and tell a story. Instead of focusing on points on a map, Moveable Feast focuses on routes and stories.

1995-FT

**Kelly Rich** reports that all is well in the Rich household. Her oldest son, Nathan, is a high school senior, Haley is a freshman and Nolan is in 8th grade. Kris is a director at Honeywell. In 2013, Kelly re-entered the professional world after a six-year career break. She is now a category brand licensing Manager with Whirlpool Corporation. She really enjoys her job, and the fact that her commute is five minutes doesn't hurt.

In August 2014, **Kathryn Zwack** became director of media and marketing for Women's Ski Jumping USA, the non-profit organization that funds and promotes our national Olympic and development teams. In addition, she does marketing consulting work for San Francisco Bay Area high-tech companies (currently SanDisk) from her home in Park City, Utah. She thinks the town is a great place to raise her three children, ages 14, 10, and 7. She and her husband, Brian, are enjoying the amazing mountain biking, skiing, CrossFit, and volunteer/service opportunities there.

1996-FT

**Bob Raidt** has been named global president of Arc, the Leo Burnett Group's brand activation agency. Bob will remain based in Chicago.

1997-PT

**Phillip D. Joseph Jr.** was recently appointed CFO at Spirit Realty Capital Inc., a real estate investment trust that invests in single-tenant, operationally essential real estate. In his new capacity, Phillip oversees all aspects of finance, corporate reporting, tax and investor relations. Formerly, Phillip spent more than 13 years at Prologis, most recently as managing director and global treasurer.

**Ed Rafacz** just launched GeminiGuide.com, which is designed for the Adler Planetarium's Gemini spacecraft. The Adler's exhibit about going to the moon features artifacts from Jim Lovell. This Gemini spacecraft is the actual ship Jim Lovell spent four days in with Buzz Aldrin.



# A tireless advocate

*With an MD, a JD and an MBA, Dr. June McKoy '10 plans on changing elderly care in Chicago*

As a teacher, physician, advocate, researcher, and a community leader, Dr. June McKoy will stop at nothing to create a better life for Chicago's elderly population. She advocates, researches, practices medicine, and passes the knowledge she's gained onto the medical students she teaches. In this way, she's creating a generation of doctors that can carry on her work.

She couldn't have predicted her path. She grew up in Jamaica and lived in England, where her mother taught her to leave the world better than she found it, and being from what she described as "a third world country," she thought it would be easy. So she left home to attend medical school in the United States.

Caring for the elderly found a place in McKoy early in her medical career, as she saw the elderly consistently pushed aside or given the minimum treatment required. She was moved by the loneliness, lack of compassion and thoughtlessness experienced by this population and dedicated herself to giving them a voice.

In medical school, she needed to know why so many people were sick in the first place, so she earned a master's degree with delta omega honors in public health. That's when she found she needed to better understand American laws, so she earned a law degree with additional certifications in Elder Law and Health Law, and a LLM with Honors from Northwestern Law.

And then she really got down to business. When she started getting National Institute of Health grants, she hired a research team, but found she didn't know how to run a small business. She needed to understand marketing and management, learn how to fund her projects, and develop a business savvy. So she earned an

MBA from Kellogg.

She says the reason is simple: "Kellogg isn't your mother's business school."

She was drawn to Kellogg's emphasis on putting theory into practice; she sees negotiation, marketing, and management as the most important skills she's learned.

"Every doctor should have to go to business school," she says. "Doctors aren't taught to enter the business of medicine, and medical school training is insulated. It lacks real world application."

As Geriatric Medicine Program Director at the Northwestern University Feinberg School of Medicine, she slides Kellogg lessons into teaching all the time. She has kept all of the assignments and readings she has from her Kellogg days.

And, per her mother's wishes, she's done more than her share to leave the world better than she found it. Most recently, she co-founded SOAR — Senior Oncology Outcomes, Advocacy, and Research Program — a Robert H. Lurie Comprehensive Cancer Center program geared toward people over 65, with a cancer survivorship framework tailored for older individuals.

She is tirelessly focused on improving the quality of life and overall health of seniors. To McKoy, this is about human rights. That commitment and humanitarianism was recently rewarded when she received the Martin Luther King, Jr. Humanitarian Award from Northwestern Medicine.

And she says she couldn't have done it without business school.

## 1998-FT

**Jason Spievak** reports that his son Ben qualified for Junior Olympics in water polo last year, and is hoping Ben's sister Chloe will join him on the J.O. team this year. Jason's company, Invoca, was named to the 2014 *Inc.* 500 list as the 32nd fastest-growing software company in the United States. This year, Jason went to Croatia with the **Michael Xenakis '98** crew, visited **Shawn Luetchens '98** and friends in London

and enjoyed dinner with **Kevin Hastings '98** in D.C., in addition to a beer or three with all the usual Kellogg San Francisco suspects.

## 1999-FT

After co-founding a software startup and then running his own business consultancy, **Erik Carlson** is now an executive at a midsize marketing agency where

he is developing new product innovation services (crowd invention + rapid prototyping lab). His family is really enjoying Nashville and he's happy to have made the city his new home.

## 2000-FT

**Robert Goldman** has been promoted to vice president at Charles River Associates, a leading consulting firm focused

on the valuation of intellectual property and intangible assets, with a focus on patent portfolios, for business transactions that include licensing and sales transactions and mergers and acquisitions. Robert teaches and presents about IP valuation and portfolio assessments at several law schools, including the Northwestern University School of Law, and is a speaker and instructor at Licensing Executives Society (LES) workshops and conferences.

## 2000-PT

**Al Kamienski, PhD**, Professor of Finance and Economics at North Park University Chicago, presented at International Days at Arteveldehogeschool in Gent, Belgium. His research topics included economic freedom and quality of life: global evidence and comparisons; and multiselector convergence: lessons shared across for-profit, nonprofit and governmental organizations.

## 2002-FT

On June 10, 2015, **Ian Lacy** and wife Stacey were blessed with the arrival of Abigail Maitland Lacy, who arrived at 8:44 p.m. in the Parkway East Hospital in Singapore. Stacey was surprisingly well after more than 28 hours in labor and achieving her third, all-natural drug-free birth! Ian couldn't be prouder to welcome a little princess to the clan. With children now born in Hong Kong, Shanghai and Singapore, Asia will always hold special memories for the family.

## 2003-PT

**John Bye** was promoted to general manager of Campbell Alliance Learning Solutions (CALs), an inVentiv Health company. He competed in Ironman Canada in late July before heading to Austria for the Ironman 70.3 World Championships. John also founded MAPSO Relentless Forward Motion (RFM), a charitable organization created in partnership with Challenged Athletes Foundation.



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## 2003-FT

**Paolo Cuomo** helped lead the setup of a new Lloyd's of London insurance business and is now COO of Charles Taylor Managing Agency. Give him a shout if you're passing through London.

**Denise Lazo** is excited to report that she recently became co-owner of Intense Peru ([www.intenseperu.com](http://www.intenseperu.com)), an online travel and tour operator in Peru and Bolivia. So, for those of you who've been itching to visit Lima, Machu Picchu, the Amazon or Lake Titicaca, you now have a friend who can help. She looks forward to seeing some of you in Peru in the future.

After six years heading corporate finance at Azul Brazilian Airlines, **Alex Malfitani** is now responsible for TudoAzul, the company's loyalty program. This is a fresh opportunity for him to step outside his finance comfort zone and put that Kellogg marketing degree to good use. Alex was also part of the team that negotiated a strategic partnership with United Airlines, his previous employer.

After five years in Mexico, **Aaron Martin** traded continents and is enjoying life in Amsterdam with his single-speed bike and pedal brakes. Look him up if you pass through.

**David Nunez** was promoted to partner and managing director at Investar Financial, a private-equity firm with \$500 million in assets under management, based in Dallas. It has been three years since he decided to move with his family from Madrid to Dallas. His wife and two kids are very happy living in the United States and also appreciate the chance to visit family and friends in Spain twice a year. He says everything is big in Texas, including their home, which can accommodate Kellogg friends.

**Debbie Roever** and Vincent Roever celebrated the birth of their daughter, Claire Isabel Kathleen Roever, on December 30, 2014.

## 2003-PT

**Brian Dolk** completed his JD at The John Marshall Law School in Chicago. He also earned a Master of Laws (LLM) in information technology and privacy at The John Marshall Law School.

**Lisa Jericho** left the corporate world for a new role at the Chicago-based not-for-profit Feeding America. Feeding America's mission is to feed America's hungry through a nationwide network of member food banks and engage the country in the fight to end hunger. Lisa's role is senior vice president of information technology.

**Chris Long** was named president & CEO of Cappex.com.

## 2004-PT

After 5 years as CEO of Vinimaya Software, a Vora Ventures Company, **John Hutchinson** was recently promoted to Head of Corporate Development for the parent company, Vora Ventures, and will take a seat on the Board of Directors of Vinimaya. In his new role, he will lead strategic initiatives across the Vora Ventures portfolio of companies, including acquisitions, investments, divestitures, and commercialization of new technologies.

## 2005-FT

Scott and **Carla Benigni** are thrilled to announce the birth of Stella Marie, born April 10th, 2015. Big brothers Henry and

Lucas are excited to have baby sister to "love."

Michael Wright and **Rachael Lester** happily welcomed the birth of Austin Jacob on March 10, 2015, in their new home in Burlingame, California. AJ weighed 8 pounds and was 20 inches long. Rachael recently took on a new role as vice president, marketing at Bruin Biometrics. Michael works for Forward Management, where he runs the global infrastructure fund.

**Karianne Gomez** and her husband, Joe, are happy to announce that Abigail Rose Gomez was born on September 2, 2014. They are simply thrilled to be parents and are enjoying time with their daughter.

## 2006-FT

Eric and **Emily LeMaster O'Brien** welcomed Evanston Chapman O'Brien on November 30, 2014. Chap joins big brother Ellis (4) and sister Elizabeth "Belle" (2), and is looking forward to some play dates in his namesake city next summer, during mom's 10-year reunion. The O'Briens are still in Atlanta, where Eric is a partner at Jackson Spalding, a marketing and communications firm, and Emily joined Irban Group, a social/digital marketing boutique, after working for seven years at Coca-Cola.

## 2008-FT

Last harvest, **Aline Baly** joined Bordeaux's Baron Philippe de Rothschild SA's team. In addition to continuing her role at her family's estate, Château Coutet (in Sauternes), as the director of marketing, Aline also now oversees the marketing strategy for the First Classified Growth Château Mouton Rothschild and

the Classified Growths Chateau Clerc Milon and Château d'Armailhac, as well as a beautiful estate in the south of France — Domaine de Baron'arques.

## 2009-PT

**Sarah Royalty Tredo**, her husband, Dave, and their 4-year-old daughter, Vienna, welcomed Adelaide Belle Tredo to the family on October 30, 2014. For her first Halloween, Adelaide dressed up as a baby carrot. After her initial embarrassment, Adelaide is doing great.

## 2011-FT

**Kristin Jones** and **Daniel Kamerling '11**, both MMM graduates, were married on April 18 2015, in St. Louis, surrounded by their friends from Kellogg. Kristin and Dan currently live in Los Angeles, where they are both consulting as product managers with BCG Digital Ventures and Pivotal Labs, respectively, to help companies create digital disruption. Offline activities include biking along the beach, trying new restaurants and the occasional board game night.

**Lauren Washington** is the co-founder and CEO of KeepUp, a social media management app that lets you cut through the clutter without missing out on important life events. Lauren launched the public beta on the Apple Store May 27, 2015. KeepUp is an inaugural winner of 43North, the world's largest business idea competition, receiving \$250,000 and incubator space for a year.

## 2012-FT

**Evan Sharp** and **Tarra Thomas '13** were married on March 21, 2015 in Dallas, Texas. They are both management consultants currently living in Chicago.

## 2013-FT

**Colgate Smith** lives in New York City and works at Van Eck Global on the institutional business development team. He remains very close with the Kellogg group in New York. His frequent social gatherings typically include sharing an occasional whiskey, pitching a new business idea and aggressively planning group travel.

## EMP-21

**Bill Graham** has accepted a new position as principal engineer at Compliance Partners. Bill works within the Environmental Compliance and Management Systems at Compliance Partners, addressing air, water, waste and other requirements, as well as compliance auditing and litigation support.

## EMP-38

**Trish Lambrecht** raised more than \$4,200 for Bike MS to aid the fight against multiple sclerosis. She says the weather was fantastic this year and, despite Chicago's rainy spring and early summer, she experienced pleasant temperatures and sunny skies. Her cycling team raised over \$31,000. She thanks EMP-38 for coming through with her matching donation.

## EMP-12

**Earl M. Furfine**, CPA, PMP, CITP was named president and COO of 5AM Solutions Inc., a Rockville, Maryland-based life science and biotechnology software firm providing clinical trial information systems, dynamic assay design and implementation, biological sample tracking and genomic sequencing software, and custom software solutions to the health care and science industries. Learn more at [www.5amsolutions.com](http://www.5amsolutions.com).

## EMP-18

**Raj Sultanian** has joined Pacific Alternative Asset Management Company in Newport Beach, California, as legal counsel, investment operations.

## 2012-FT

**Bo Olafsson** is now chief financial officer of Meniga, the European market leader in personal financial management for retail banks and other financial institutions, with 20 implementations across 14 different markets, including several top-tier retail banks, and reaching about 15 million online banking users.

## 2011-PT

**Jana Felbinger** helped treat more than 600 patients in rural Cameroon as part of a medical mission organized by Fuankem Lekeanyi Memorial Medical Clinic. FLMMC is a nonprofit organization working to improve the health care services in the region.

## EMP-1

**John Baxter** has been appointed adjunct professional specialist with the Mendoza College of Business at the University of Notre Dame, where he will teach courses on new business enterprise and strategic management. John, his wife, Ginny, and their two children, Pete and Cathy, reside in western Michigan.

## EMP-18

**Terry R. Hendrickson** has been elected president of the Union League Boys & Girls Clubs, one of the largest Boys & Girls Club organizations in the country, serving more than 12,500 at-risk youth on Chicago's Near West Side. Hendrickson is vice president of business development for the Midwest at Chicago Title Insurance Co.'s National Commercial Services Operation. Hendrickson and his wife, Donna, have been married for 41 years. They live in Park Ridge and have two daughters.

## EMP-22

The American Board of Medical Specialties has appointed **Rich Waters** as the organization's new vice president of marketing and communications. Waters will lead the development and implementation of ABMS's strategic communications initiatives. He also will manage the organization's varied and integrated marketing and communications products and services.

## EMP-21

**Eileen Clune** would like to ask those who attended EMP-24's most recent reunion and had

the chance to spend time with **Lou Kacyn** to remember that special time and cherish the memories shared with him before he was taken entirely too soon. The thoughts and prayers of all his classmates are with his family during this time.

**Michael Silverman** started Duo Consulting 15 years ago, creating digital marketing platforms and custom Drupal applications. He and his wife, Arlene, look at their kids — Ben, 14, and Noah, 17 — and being at Kellogg 21 years ago seems like another time.

EMP-38

**Trish Lambrecht** wants to thank her EMP-38 classmates who contributed to the National MS Society this year. She is grateful for her own health and the generosity of her Kellogg classmates who help support an organization that, in turn, supports one of their own.

EMP-39

**Rick Schneider** is the new executive director of occupational health services for Froedert & the Medical College of Wisconsin health care network. In this role, he will lead strategy development and execution of

occupational health services provided to community-based employers.

**Tim Wulf** enjoys family time in Wisconsin when he's not traveling around the country working as vice president of operations for LABSCO, a privately held distributions company focusing on laboratory supplies.

EMP-42

**Earl Furfine** and **Laura Donahue** were engaged on May 18, 2014. Earl proposed to Laura a day after his third full Ironman 140.6 race in Houston. He finished with tremendous and continuous support from Laura. Earl and Laura look forward to a life of happiness and of marathoning together.

EMP-45

**Daniel Rice's** new book, *West Point Leadership: Profiles of Courage*, received three Benjamin Franklin Awards for Best Biography, Best Gift Book and Best First Book from the Independent Book Publishers Association. The West Point Class of 2014 presented a copy of the book to the president of the United States as a gift at the class graduation in May.

EMP-48

**Stephen K. Swinson**, president and CEO of Houston-based Thermal Energy Corp., a Texas Medical Center institution, received the International District Energy Association's Norman R. Taylor award at the association's 106th Annual Conference and Trade Show in Boston. The award recognizes the recipient's lifetime achievements and con-

tributions to the district energy and combined heat and power industry.

EMP-52

**Tim Augustine** is currently an owner and corporate officer of Atwell LLC, a national consulting, engineering and construction services firm with hundreds of professionals across the country supporting a diverse range of industries including real estate and land development, power and energy, oil and gas, manufacturing, industrial, and mining. Tim's third book, *How Hard Are You Knocking? Landing a Job in a Rebounding Economy*, was recognized in the "Top 100 Best Career Books of All Time" by *Careers* magazine. He is also the co-founder of Succeed Faster LLC, a career acceleration firm focused on building and mentoring a community of motivated young leaders ([www.succeedfaster.com](http://www.succeedfaster.com)). He lives in the Ann Arbor, Michigan, area with his wife and three children.

**Richard Berg** is the co-founder of Performance Trust, which celebrated its 20th anniversary in 2014.

**John Jimenez** and his wife Shannon have been living in the United Kingdom for nine years now. He is still working for BP, currently as chief of staff and VP, HR strategy and planning. For the past year, he has been on temporary assignment commuting to Mumbai, India, supporting BP's joint venture partner, Reliance. His kids are growing up fast: Zach is a senior at George Mason University, Jake is a sophomore at Elon University and Sam is a junior at ACS Cobham International.

**Rebecca Kuchar** joined Sundial Market Research of San Rafael, California, as senior director, qualitative insights. Based in Chicago, she continues to con-

duct research for her clients around the world, in person, online and via mobile. Rebecca is a Google Glass Explorer working on new research methodologies and potential industry guidelines for the device.

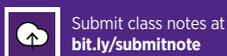
**Shyam Kambeyanda** moved to Minneapolis from China last year. Shyam is the president of the Americas for Eaton's hydraulics business. He has also been busy building a family with his wife, Agueda, and kids Nikhil (8) and Kiara (5), who have settled in well in Minnesota and are becoming Nordic with their accents and outdoor activities

**Mary Olson-Menzel** and **Rich Sypniewski** EMP-52 have teamed up in a business partnership. Mary is a managing director at Sagin Consulting, the company founded by Rich Sypniewski five years ago. Mary runs the New York office and leads the MVP Executive Search & Development division nationally. Mary founded MVP Executive Search & Development in 2012 and then joined Sagin with more than 20 years of experience in both the corporate world and consulting practices. Mary specializes in senior-level recruitment and career coaching across various industries. She is responsible for recruiting and coaching CEOs, CMOs, CROs, COOs, CFOs, publishers, GMs and VP- and director-level executives across all functions on a national level: [www.sagin-llc.com](http://www.sagin-llc.com). On a personal level, she now lives in Larchmont, New York, with husband Dan, two stepkids, Samantha (15) and Connor (13), and son Christopher (5). She is involved in several charities in the area and has founded an event called Yoga for a Cure, a program that raises money to fund research for the prevention and cure of breast cancer.

**Mahmood Qadri** is the director of technology for the wealth business at BMO Harris.

Tell the Kellogg community your latest news\*

\*feel free to brag a bit — you've earned it



**Ron Wiltbank** is the CFO of EFG America, a privately held company deploying a unique proprietary chemical process that is applied to postconsumer and postindustrial vulcanized rubber. The products produced by the process are a variety of engineered rubber masterbatch formulations suitable for replacement of virgin materials in numerous rubber products. They also deploy a technology that involves high temperature gasification with potential application to all kinds of postsocietal waste with zero emissions and recovery of every molecule of resource contained in the waste.

**Carrie Wismer Yakola** and Doug Yakola reside with their 7 1/2-year-old daughter, Lucy, just north of Boston on the Seacoast of New Hampshire. When they are not shoveling snow, they enjoy boating off the coast of Maine and New Hampshire. Carrie has traded in her international banking career for her next journey as a full-time mom and budding children's author. Her books *Full Moon Maxi*, *Lucy's Shooting Star* and *Clayton and the Planets* explore the wonders of the night sky. Carrie is vice president of PEO, a nonprofit focusing on furthering women's education. Doug is now a senior partner at McKinsey and leads their corporate turnaround and restructuring practice. While he is on the road quite a bit, the couple still finds plenty of time to enjoy the New England summers and winters.

## EMP-66

**David Altounian** earned his PhD in Business Administration from Oklahoma State University in December 2014. He has taken a tenure-track position as assistant professor of entrepreneurship at St. Edward's University in Austin, Texas.

## EMP-69

**Natalie Sandstedt** is working with Denmark-based pharmaceutical company Lundbeck as product manager for Abilify Maintena, a once-monthly treatment for schizophrenia. She is thrilled to be working with an organization whose mission is to help the patient and their loved ones. If you don't see Natalie in an airport, she'll be fighting for the last cup of coffee. Jim is still transitioning into America but has adopted Giese, Minnesota as home.

## EMP-77

**Homa Ghaemi**, PE, SE, was named COO of Klein and Hoffman, an architectural restoration and structural engineering firm in Chicago. Homa will direct, administer and coordinate the operational activities of the organization in accordance with K&H objectives, and lead and direct the business units of operations, human resources, marketing and business development.

## EMP-85

**Bridget Calendo** married David Spaeth on May 31, 2015. Many of her Kellogg classmates attended her wedding.

## EMP-86

**Jessica Martino**, eBay Inc., Louis Vuitton and *Vogue Magazine* alum, launched a members-only, women's designer e-commerce business.

## IN MEMORIAM

**Judith A. Plummer '92**, daughter, sister, aunt, friend and classmate, passed away on February 17, 2015, after a brief illness. She was 57.

Judy was born in Highland Park, Illinois, and attended Lake Forest High School. A 1979 graduate of Smith College (BA) and later of the Kellogg School of Management at Northwestern University (MBA), Judy held numerous executive positions with Diners Club International and Citizens Financial Bank during her career.

Judy loved traveling and explored dozens of countries around the world during her short life. An avid reader, she was loved and respected by her family and friends for her generosity, intellect, sense of humor and great laugh.

Classmates will fondly remember Judy from time spent at Kellogg together. Those who attended the 2012 reunion are left with the memory of Judy talking to everyone and enjoying the evening. She was noticeably in a good place in life.

A resident of Chicago, she is survived by her parents, Daniel and Margaret Plummer of Lake Forest, Illinois; brothers, Daniel, Jr., (Shelley) of Trevor, Wisconsin; David of Holland, Michigan; and five nephews and nieces.

**Katharine Ravenel**, native of Charleston, South Carolina, retired educator and development consultant, passed away March 9, 2015. She was 71.

Kathy served as assistant dean and later, chief development officer for Kellogg. After earning her BA from Hollins College and her MA from Dartmouth, Kathy devoted her life to education before going on to enjoy a fulfilling career in nonprofit development. After her time at Kellogg, she started her own firm, Ravenel & Associates,

where she provided consulting services to well over one hundred local and national organizations and institutions in all nonprofit sectors, raising in excess of \$500 million.

She is survived by her son, Hendrik "Hal" (Alya) Woods; and her grandson, Henry Anthony Adamany Ravenel Woods; her sister, Alicia Ravenel; and her brother, William B. Ravenel IV. She is preceded in death by her parents, William Bee Ravenel III and Ruth Tisdale Ravenel Geer, and by her sister-in-law, Ruth Ravenel.

**Edgar B. Anthony Villanueva '87**, known as "Gary V." to his friends, passed away suddenly in June 2015. He was 53.

Gary was executive vice president at Rizal Commercial Banking Corporation (RCBC) in the Philippines from July 2013 until the time of his death. He also served as head of Global Transactional Services. He headed RCBC's remittance business, which grew to become one of RCBC's biggest sources of growth under his leadership. Prior to that position, he served as a first senior vice-president of RCBC.

Earlier in his career, Villanueva worked in major financial markets such as New York and Singapore with several multinational banking institutions, including Bank of America and ABN AMRO Bank NV.

Gary Villanueva received an MBA from Kellogg and a Bachelor of Science in Applied Economics from De La Salle University. He comes from a family with strong ties to Northwestern. His father, **Eduardo M. Villanueva '59**, his brother-in-law **Ernest Cu '84** and niece **Eugenie Anne Marie (Agregado) de Araujo** all attended Kellogg, and his niece Cristina Cu CO2 received a BA in communication and media studies.

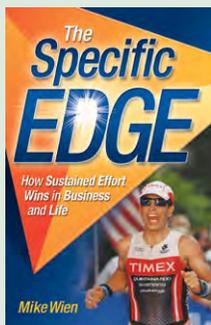
He is survived by his wife, Marilen, and his daughter, Sam.

**Alumni Bookshelf**

**MIKE WEIN '75**

***The Specific Edge:  
How Sustained Effort Wins in Business and Life***

There's a misconception that success is the result of innate talent, dumb luck, or a magic formula. In *The Specific Edge: How Sustained Effort Wins in Business and Life*, Mike Wein argues that in reality, winners succeed through a combination of concentration and focus, the discipline to continually improve and the endurance to overcome obstacles.



*The Specific Edge* is a blueprint for the average person to harness the power of being specific. Whether you are an entrepreneur, a corporate executive, or building your career, Wien can help you discover your “specific edge.”

After 28 years of leadership experience at Pepsi, Frito-Lay, Citibank and Deloitte, Wien ditched corporate life to found the Specific Edge Institute, where he empowers clients to harness the power of being specific. He combines insights from his corporate experience with lessons learned on his journey as a world-class triathlete, having completed over 35 marathons and four Ironman Triathlon World Championships in the past eight years.

**MARJOLEIN BAGHUIS '94**

***Activists Dare to Care:  
Brand Your Activism for Social Change***

Today, people expect brands to do more, not just be more. In *Activists Dare to Care: Brand Your Activism for Social Change*, Marjolein Baghuis and co-author Christophe Fauconnier give insight into how millennials and an emerging middle class are growing a stronger sense of purpose, and how brands can keep up.



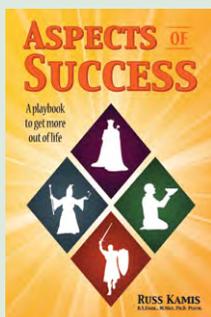
Baghuis and Fauconnier expand on this vision by showing marketers why they should take a lesson from activists if they want to be relevant and create engagement. Many brands have a point of view, but successful brands, like activists, excel by having a point of action.

This book is all about using the power of thinking and behaving like an activist to build the success of your brand, and turn it into a powerful catalyst for change.

**RUSS KAMIS '92**

***Aspects of Success:  
A Playbook to Get More Out of Life***

Russ Kamis' book, *Aspects of Success: A Playbook to Get More Out of Life*, is designed to help you live a happier, more satisfied and fulfilled life. Kamis combines his doctoral research in the psychology of well-being with his experience as a career strategist, CEO and executive coach. *Aspects of Success* provides scientific, time-tested and spiritually-supported behaviors that lead to success, however you define it.

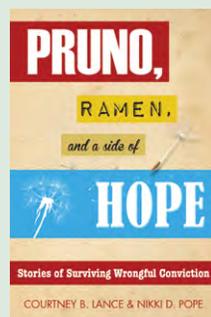


Kamis' book is printed in workbook format and contains a range of exercises specifically designed to help you become more holistically accomplished. His research shows that people focused on continuous personal development are better leaders, friends, spouses and parents. They get more done and are happier doing it, and this book highlights the behaviors that can help you live the life you want to live.

**NIKKI D. POPE '86 AND COURTNEY B. LANCE**

***Pruno, Ramen, and a Side of Hope:  
Stories of Surviving Wrongful Conviction***

In *Pruno, Ramen, and a Side of Hope: Stories of Surviving Wrongful Conviction*, authors Nikki D. Pope and co-author Courtney B. Lance share the poignant, funny and heartbreaking stories of 10 wrongfully convicted individuals who proved their innocence and were discharged from prison. These stories highlight experiences that kept their connection to the larger world in tact: when art, music and poetry lifted spirits, or when a meal brought comfort and joy.



Each story in *Pruno* also offers the perspective of a loved one explaining how they got through each day and what gave them hope while their family member or friend was imprisoned.

Pope and Lance are on a mission to help people understand that wrongful conviction can be significantly reduced or even prevented with specific systemic changes.

Much of the net proceeds from sales of *Pruno* will be donated to the exonerees featured in the book and with non-profit organizations that provide related services.

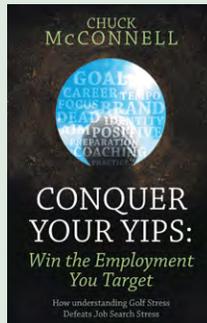
## CHARLES MCCONNELL '63

### ***Conquer Your Yips: Win the Employment You Target***

When golfers experience the “yips” — an unexpected inability to perform — they probably aren’t thinking about the crippling anxiety of the job search. But Charles McConnell has seen job-seekers experiencing the same yips for more than 20 years.

As President/COO of Stewart, Cooper & Coon, Inc., and founder of First Career Corporation and FindCareer.com, McConnell has led thousands of individual and group search meetings, reviewed countless resumes, and explored a range of employment situations for his clients. During that time, McConnell has discovered that many job-seekers aren’t aware of the obstacles in their path, but through honest introspection and intelligent preparation, job-seekers (and golfers alike) can create a successful job search or golf game and avoid yips.

While golfers will identify with the “yips” and other golf parlance used in *Conquer Your Yips*, McConnell’s unique blend of golf and employment advice is designed for anyone interested in conquering their phobias, be it on the course or in the employment marketplace.



## JAMES ROSSEAU EMP-98

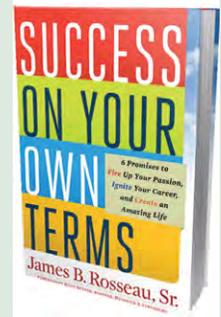
### ***Success on Your Own Terms: 6 Promises to Fire Up Your Passion, Ignite Your Career, and Create an Amazing Life***

Throughout his career as a Fortune 100 executive at Allstate and JPMorgan Chase, James Rosseau mentored younger professionals struggling with issues like career development and goal-setting. He created peer mentoring sessions and, over time, developed an unofficial guide to tackle these challenges.

That guide grew into Rosseau’s book, *Success on Your Own Terms: 6 Promises to Fire Up Your Passion, Ignite Your Career, and Create an Amazing Life*, a straightforward-yet-personal guide for those seeking to understand their passions and achieve tangible results.

Rosseau shares six actionable techniques for developing a pattern of achievement, including embracing your passion, why progress trumps perfection and the importance of giving back.

Rosseau provides inspiration for those beginning their professional journey and those reinventing themselves, with a focus on creating a distinct plan for their best personal and professional lives.



## CATHERINE CONLEY '97

### ***Coming Home: The Journey from Heaven to Your Adopted Home***

*Coming Home: The Journey from Heaven to Your Adopted Home*, the first illustrated children’s book by Catherine Conley, tells the story of a child abandoned by her birth mother. The book is very personal for Conley, who, while president of Asia operations for a global consulting firm, adopted an abandoned newborn in Shaoyang City, China.

Conley’s book addresses questions that she believes her daughter will someday ask about her birth circumstances.

“Where did I come from?” is a universal question that most children ask in their early years,” Conley says. “The answer to this question can be vastly more complex for adopted children.”

Conley combines theology with the nuances of her experiences working closely with Chinese executives. Circumspect in discussing the merging of careers as consulting executive and author, Conley says, “for me, the answer to most of the challenging questions today — professionally and personally — are spiritual in nature.”



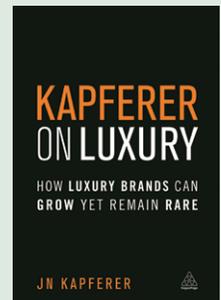
## JEAN-NOEL KAPFERER '75

### ***Kapferer on Luxury: How Can Luxury Brands Grow Yet Remain Rare***

Brands in today’s expanding luxury market face a major challenge: How can a luxury brand grow yet maintain the exclusivity to sustain the “luxury dream”?

*Kapferer on Luxury: How Can Luxury Brands Grow Yet Remain Rare*, the companion to Jean-Noel Kapferer’s book *The Luxury Strategy*, examines how rising demand from the middle class, especially in China, and the visibility of luxury goods on the Internet are forcing luxury businesses to re-examine their business models. As the sector becomes hot, Kapferer contends, the meaning of luxury can diminish and cross over into “fashion.”

Kapferer achieves a balance between marketing theory and real world situations in this collection of recent articles and essays, making this a relevant read for luxury executives, communications professionals and anyone interested in the luxury marketplace.



# ELECTRIFYING YOUR BASE

UTILITY SMART-DATA FIRM METERGENIUS FINDS NEW WAYS TO ENGAGE ITS CUSTOMER BASE

Getting people to use your new product is difficult enough. Getting them to use it in a market that constantly evolves? That can be impossible.

Those were the problems **Ty Benefiel '14** and his MeterGenius co-founders — **Hillary Hass WCAS'14**, **Fred Thwaites MEAS '13**, **Yan Man MEAS '14** and current McCormick PhD candidate **Yves Xie** — faced after launching MeterGenius, a cleantech startup that developed a platform to monitor smart-meter data.

The trick, Benefiel says, was getting consumers to engage with the possibility of saving money while improving the environment. And after numerous iterations and constant testing, MeterGenius is poised to make impact on a market that includes 46 million U.S. homes sending usage data to power companies via digitized electricity meters.

For the team, that meant being flexible when it came to reaching its audience.

The small team grew around Benefiel's pitch at the Winter 2013 NUvention: Energy course. Back then, the idea was anchored in producing hardware that covered an electrical outlet and enabled users to control attached devices. Eventually, the team pivoted toward a software solution for electricity providers themselves.

Benefiel cited a 2010 Accenture survey that found people in the United States spend fewer than 10 minutes per year interacting with their energy provider. "To get a motivated customer base," he says, "making things easy for them is really important."

Xie built an application for a pilot with 3,000 customers of Infinite Energy, a Texas-based energy supplier. The application

**"Now that the market has evolved, we are able to fulfill our initial vision and incorporate everything we've learned along the way to enhance effectiveness of that initial idea."**

**TY BENEFIEL '14,**  
Co-Founder, MeterGenius

provided users with usage data over 15-minute increments, which removed some of the mystery surrounding monthly charges. By the end of the pilot, MeterGenius had increased Infinite's customer retention a total of 27 percent, and saved customers an average of 6 percent on their monthly bills. Among customers who logged in at least once a month, the numbers were even higher.

The team had found its niche. But in many cases, MeterGenius found the application's novelty quickly wore off.

"People don't want to do homework," Benefiel says. "We're not going to keep customers engaged with just usage graphs."

Now beginning another pilot with ComEd in Chicago, the St. Louis-based MeterGenius is working to increase and retain customer engagement. Their new mobile app sends users push notifications to encourage reduced consumption during peak hours and a real-time rewards program that uses redeemable points to motivate customers to change their habits.

People with compatible devices in their homes can even turn things off remotely, a sly way of reintroducing the original concept to the company's growing base.

"Now that the market has evolved," Benefiel says, "we are able to fulfill our initial vision and incorporate everything we've learned along the way to enhance the effectiveness of that initial idea." κ

BY PETER JURMU

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