

W.P. Carey

SCHOOL OF BUSINESS
ARIZONA STATE UNIVERSITY



W. P. Carey
entrepreneurs
prepare for takeoff

Break Through

"Self portrait" by King Lawrence
(B.S. Management '00)

plus: Nobel Work: 10 Years Later • How to Say No • Class Notes


AUTUMN 2014

A modern, brightly lit interior space, likely a university hallway or lounge. The space features large windows on the right side, through which sunlight creates strong shadows on the floor and walls. A person is sitting on a grey bench in the foreground, looking at a smartphone. In the background, other people are visible sitting on similar benches. The architecture is contemporary, with a mix of wood paneling and glass. The text "stay connected" is overlaid in large white letters across the middle of the image.

stay connected

With more than 90,000 graduates in your W. P. Carey network, you're part of one of the largest and most active alumni groups in the country. Log in and update your contact information so we can keep you informed. And keep us in the loop on what's new in your world.

wpcarey.asu.edu/alumni

 wpcarey.asu.edu/linkedin

 facebook.com/wpcareyschool

 [@wpc_alumni](https://twitter.com/wpc_alumni)

 **W. P. CAREY**
SCHOOL of BUSINESS
ARIZONA STATE UNIVERSITY

Dear fellow entrepreneurs,

Yes, you read that right. I'm an entrepreneur and so are you.

ASU has the largest enrollment of any nonprofit university in the U.S. and the W. P. Carey School of Business is one of the nation's largest business schools. As a scholar of organizations, I often think about how we can be so big and so entrepreneurial at the same time.

So how did we get to be so entrepreneurial? I have a few theories. First, we're young; ASU hasn't had centuries to get stuck in its ways like other universities. As I walk across the dean's patio each day, it's clear to me that youth means more risk taking, bigger dreams, and a can-do attitude.

Second, we were born in Arizona. I don't know if it's the desert, or the Wild West, or relatively recent statehood, but the Grand Canyon State encourages innovation and experimentation. Many of us aren't natives but were drawn to Arizona's different terrain and climate, and the indescribable sense that anything is possible here.

Third, we don't take ourselves too seriously. The surest sign you've lost your edge is thinking you've figured everything out. Complacency leads to death, or as a friend likes to say: "If you aren't changing you're dying." ASU isn't the storied halls of the Ivy League, who have a lot to lose by taking risks. Sure, we'll take our programs online and be confident they are of the same rigor as the classroom. Want to help an innovative company like Starbucks educate its workforce? Sure, proud to do it. Can you help an ailing competitor across town with a strong global brand? Let's try.

Finally, we have strong leaders who stick with the place. President

Michael Crow's vision is a bold one and to date, our neighbors to the south have had five different presidents just since he's joined ASU. Entrepreneurs who focus on a goal and don't give up or change the goal often accomplish just about anything.

It's because of this entrepreneurial spirit that I know you are all as proud to be a Sun Devil (or a Sun Devil supporter) as I am. This issue celebrates innovation and entrepreneurship. Next spring we'll have our first Sun Devil Select event, honoring those of you who embody this spirit and have changed the world through entrepreneurship. I can't wait.

Enjoy the issue, then sit back and loudly declare: "I'm an entrepreneur." We are who we believe we are and aspire to be. If you're an alum or current student, you are the child of entrepreneurial parents: ASU and the W. P. Carey School. If you're a corporate partner, good news — entrepreneurs hang out with other entrepreneurs. We're happy for your company. If you got this magazine randomly, maybe you should start hanging out with us if you want to change the world.

**As I walk
across the
dean's patio
each day, it's
clear to me
that youth
means more
risk taking,
bigger dreams
and a can-do
attitude.**

Amy Hillman
@WPCDean





Our Guest Art Director David Imes was on a shoot for another client when the photographer mentioned that he was a W. P. Carey graduate. King Lawrence (B.S. Management '00) had already built one successful business when he decided to redirect his career, tackling the competitive world of pro photography.

David was intrigued with King's story, and so were we – especially after we saw his work. Among the images was one that dramatically illustrated what we had been learning about entrepreneurship, the theme of the autumn issue. The man in the photo has taken the proverbial leap: the instant he jumped he was all in, just like an entrepreneur who goes after a great idea. We decided to use it as our cover. By the way, the man



COVER PHOTO BY
KING LAWRENCE

in the photo is King himself. You can read more about him on page 42.

Sidnee Peck, director of the new Center for Entrepreneurship, says that the heart of innovation is a disruptive idea, something that upsets the

known and tested and leads us into an area that is in some way unexplored. When you are on campus for Homecoming, try to find time to visit the center at its new digs. This contemporary suite houses offices, pitch rooms and a lounge located just off the bridge in the BAC building. Peck is making it a place where students with those disruptive ideas can meet one other and mix with experienced entrepreneurs. The center's headline initiatives (the Sun Devil Igniter Challenge, the Sun Devil Select program and the Spirit of Enterprise awards)

underscore its goals: to develop, network and celebrate entrepreneurs.

... the instant he jumped he was all in, just like an entrepreneur who goes after a great idea.

In this issue we bring you stories of entrepreneurs who have pursued their ideas to success, and what

interesting journeys they are! For most it's not a straight path, as King would certainly attest. But although we focused on entrepreneurship this time, we could never cover it fully in a single pass. The entrepreneurial mindset figures into the success many of you have experienced and we've only just begun to tell your stories. If you or your friends are breaking the mold, please let me know. At 90,000 strong, the W. P. Carey community is a deep well of experience and we need your help drawing out the details. Please drop me a line at my personal address, liz.farquhar@asu.edu, or at the magazine's mailbox, editor.wpcareymagazine@asu.edu.

LIZ FARQUHAR, Managing Editor
liz.farquhar@asu.edu



- 1 FROM THE DEAN**
- 2 FROM THE EDITOR**
- 4 FROM OUR READERS**
- 5 ALUMNI NEWS: HOMECOMING**
- 10 SCHOOL NEWS**
- 11 ECP: 30TH ANNIVERSARY**

features

- 12 ALUMNI PROFILE: BILL TREFETHEN**
- 16 SKY'S THE LIMIT: ENTREPRENEURSHIP**
- 23 FAVORITE SPOTS**

departments

- 26 RESEARCH**
- 35 WHITEBOARD: SAYING NO; FAMILY BUSINESS**
- 39 THE STUDENT EXPERIENCE**
- 42 CLASS NOTES**
- 48 THE BACKSTORY:
ED PRESCOTT'S NOBEL MEMORIAL PRIZE**





You could say that I have caught the 'Sun Devil bug'

Dear Editor,

Please allow me to congratulate you for an excellent issue of W. P. Carey Magazine. You did a great job of inviting more alumni and corporations to get involved. There are so many ways and it is so easy to do. I do believe people would benefit from such a relationship, if only they were willing to help.

My firm is living proof that an alliance with ASU

has been a positive business decision. Not only have we enjoyed learning the academia approach to solving today's business problems, but we have also been able to meet extraordinary people, including an intern who has turned into a full-time employee.

I have enjoyed funding annual scholarships, sponsoring the Sonoran Winter Investment Conference, speaking to students and serving on the Finance Advisory Board. You could say that I have caught the 'Sun Devil bug' and now I want to get even more involved.

Dean Hillman mentioned in her "From the Dean" column to not waste another day. Therefore, I am letting you know that I am ready and willing to help. I can make a difference tomorrow; I just need you to tell me where you would like me to focus today.

JACOB GOLD
Certified Financial Planner™

W. P. CAREY MAGAZINE
Volume 3, Issue 1, Autumn 2014

Managing Editor
Elizabeth Farquhar

Creative Director
Paula Murray

Guest Art Director
David Imes

Graphic Designer
April Oberst

Contributors
Molly Castelazo, Andrew Clark, Teresa Esquivel, Jenny Keeler, Joseph Lapin, Jane Larson, Betsy Loeff, Hal Mattern, Hannah O'Regan, Robert Preer

Photographers
Heather Hill, King Lawrence, W. Scott Mitchell, Shelley Marie Valdez

Copy Editor
Connor Lovejoy

Dean
Amy Hillman

Chief Marketing Officer
Kim Steinmetz

Director of Development
Brian Dowdall

Manager of Alumni Relations
Theresa DeLaere

W. P. Carey Alumni
wpcarey.asu.edu/alumni

Facebook
facebook.com/wpcareyschool

LinkedIn
wpcarey.asu.edu/linkedin

Twitter
@wpcareyschool
@wpcarey_alumni

All editorial, sales and production correspondence should be addressed to:
W. P. Carey School of Business
Arizona State University
PO Box 873506, Tempe, AZ
85287-3506

Changes of address and other subscription inquiries can be emailed to wpcareyalumni@asu.edu

W. P. Carey magazine is a publication of W. P. Carey School of Business at Arizona State University © 2014

Editorial submissions and letters to the editor can be sent to editor.wpcmagazine@asu.edu

Overheard in social media

Photos and interviews by Brooke Smith

FROM FACEBOOK

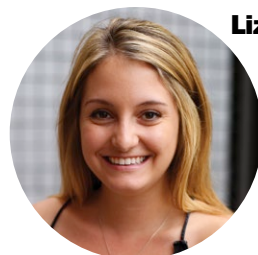
Review

Sam Bhat, sophomore, management major
★★★★★ W. P. Carey has provided me with the best educational experience possible over the past year. I look forward to continuing my journey at this school and to always be a part of the amazing business community here!



What are you excited about this year?

Rachel Koestner, senior, marketing and business tourism: Being back with my ASU family and enjoying one last year at ASU.



Liz Baldrige, junior, supply chain management: Being back at ASU with friends enjoying the crazy madness of it all.



Alaina Meeks, junior, marketing with an international business certificate: I'm most excited to start getting involved with internships and exploring the athletic side of ASU by joining women's rugby.



Mishal Patel, senior, supply chain management and marketing: I'm excited to be back, but it's bittersweet because it is ending.



What's your advice for freshmen?

Kellie Brennan, junior, computer information systems: Be adventurous. Get to know people in your classes and go to club meetings alone. Step outside your normal group of friends and make new connections.



HOMECOMING 2014:

Written in the Sparks

Homecoming Weekend is October 27 to November 1. Have you made plans yet? Of course you'll need football tickets to cheer on the Sun Devils when they meet the Utes from the University of Utah on Saturday, and depending on where you live you might need airfare. But, there are many other reasons to come home to W. P. Carey!

Start your weekend by joining us for the Homecoming Hall of Fame Reception on the McCord Hall Plaza on Thursday, October 30. Save time the next day – Halloween – to revisit a favorite Tempe haunt or to try one of the fun establishments current W. P. Carey

students love (see “Places To Go” on page 23). That evening, be part of the crowd of students, faculty, staff and alumni who will honor an ASU tradition that began in 1917: the “A” Mountain Lantern Walk.

On game day, start off by attending the parade and the annual block party. Look for the W. P. Carey tent on the lawn of Old Main. In keeping with the Homecoming theme, “Written in the Sparks,” we plan to treat our alumni, students, faculty, staff and guests to a sparkling good time with games, face painting, a photo booth, a prize wheel, savory pregame food and refreshing beverages.

For up-to-date information, see wpcarey.asu.edu/alumni



ALUMNI PUT BEST FOOT FORWARD FOR PAT'S RUN

Kevin Larsen (High Technology MBA, '03) often runs barefoot, but for Pat's Run, a road race held every April to benefit the Tillman Military Scholars program, he donned footwear.

"I used to hate running until I found barefoot running," Larsen said. "Now I actually enjoy it and have been building up my capacity. Sometimes I run completely barefoot but for Pat's Run I wore shoes."

Larsen said he has learned that when you set a goal performance improves, so when he saw the email from the W. P. Carey Alumni Chapter, he immediately signed up. "I usually run solo but it was nice being part of a team," he said. About 50 alumni joined him, wearing W. P. Carey shirts printed with Pat's number, 42, at the 10th annual race on April 26.

"Even though all of our abilities were different and we didn't actually stick together during the run it was very helpful to have a place to gather," he said. "I also enjoyed socializing with the other team members after the run. It was cool having a team shirt a little different than everyone else."

"The atmosphere of Pat's Run is amazing — it's a huge rush to participate in such a big event and finish in the stadium on the 42-yard line," Larsen added.

If you want to run with the W. P. Carey team, register at wpcarey.asu.edu/alumni



ALUM Beverly Dillingham with her husband Charlie.

Solid gold reunion

When **Beverly Dillingham** (B.S. Marketing, '64) graduated from what would become the W. P. Carey School of Business, the new structures on campus included Gammage Auditorium and a footbridge spanning University Drive. That year, the university awarded 2,238 undergraduate and graduate degrees.

This May she returned for the Golden Reunion, and found ASU and W. P. Carey transformed: one of the newest structures is the W. P. Carey School's McCord Hall and more than 12,000 students received degrees. W. P. Carey alone graduated as many as all of ASU in 1964.

The Golden Reunion is a grand university-wide event, and business graduates from the class of 1964 and earlier were among alumni treated to a full schedule of events, including recognition at the university commencement exercises. Business alumni enjoyed breakfast at the University Club with Dean Amy Hillman and other faculty, and a tour that showed off the school's cutting-edge facilities.

"It was incredible to experience the quality that exists in the university today, particularly within the business school,"

Dillingham said. "When I was a student, business classes were held in the College of Business Administration on the west side of the campus in what we considered to be a first-class building. We were encouraged to work together on projects but the environment of the school was just that, a school. The new W. P. Carey buildings are spectacular and mirror the environment that students will experience when they move from the university to their actual business lives. The flexibilities of the environment are incredible."

Another change she noted was demographic.

"I had several classes where I was the only woman in the class," she commented. "At the breakfast, I met a woman dean — Dean Hillman — and the head of the marketing department, my specialty, is also a woman — Beth Walker."

Dillingham added that she made some new acquaintances, too, "including one who lives less than a mile from my home in California."

Did you graduate in 1965? If so make plans to attend next year's Golden Reunion!

alumni.asu.edu/goldenreunion

WELCOME TO THE REST OF YOUR LIFE

The crowd that gathered at Devil's Advocate in Tempe for the annual New Grad Mixer on May 15 was festive. Many had been students just days before, but now they were alumni. W. P. Carey graduates from years before were there to welcome them to the community.

Belinda Ng (MBA '03) advises those new graduates to drop in on W. P. Carey events when they can. She says she attends events to learn about what's happening at W. P. Carey and in the business world.

Ng has been working in the semiconductor industry for 16 years (Motorola Solutions, Freescale Semiconductor and Intel Corporation). She started out in engineering, progressed through finance and is currently supporting the commercial side on supplier contract management. She has been at Intel for the last eight years and her current title is supplier service program manager.

"I'm very fortunate — the core group that I met when I was in the W. P. Carey Part-Time MBA program still gets together regularly, but it's always good to talk to people in other industries," she said. Those conversations provide valuable context that is applicable in her career. "It took me a while to figure that out."

SERVING A HEARTY BREAKFAST

Attorney **Jack Cornman** (B.S. Accountancy '80, J.D. '86) has always enjoyed the special events ASU hosts in the Los Angeles area, but he wanted more. He had in mind more frequent opportunities to get together with other alumni — especially business and law alumni — to network, make friends and learn. The ASU Breakfast Club was born.

"It's hard to meet people because everybody's working and we live in a transient society," Jack says, so the Breakfast Club was designed to be a networking opportunity. To add more value, the gathering also includes a speaker.



Build your leadership brand

Successful leaders become famous in their organizations because they hold clear values and act predictably according to those values. In other words, they have developed leadership brands. Associate management professor and leadership expert **Suzanne Peterson** shared

this insight with W. P. Carey alumni in Chicago on April 23. In her presentation,

"Building Your Leadership Brand," Peterson discussed what the best leaders do to build a reputable brand and how others can develop their own.

The setting was Café Spiaggia, a restaurant on the Magnificent Mile with a strong brand of its own: fine dining experiences, innovative Italian food and sweeping views of city lights and Lake Michigan. It was a suitable setting in which to learn how to build your brand.

"The most successful people I know in business never turn down an opportunity to learn," Peterson said. "They read voraciously and invest in their own education and

development every year by going to classes, attending seminars and listening to speakers. They embrace diverse perspectives.

"Moreover, great leaders keep their networks alive well before they ever need them. Stay in touch with your peers, your professors and anyone else who can teach you something."

Fernando Arriola (B.S. Advertising '86), vice president of media and integration at ConAgra Foods, said he found Peterson's ideas invaluable.

"Her concepts were universal yet easy to share. I could bring them back to my teams and have an immediate impact," he said. "Dr. Peterson arrived early and stayed after her presentation so I had a chance to meet her and ask her some specific questions about leadership."

"Also, I met some new alumni," he added. "Having W. P. Carey in common really makes it easy to connect with others and it is great to get outside my industry to get perspective on others opportunities and challenges."

Peterson will be one of the presenters at the **November 12** "Back to Class" event (see calendar on page 8). She also teaches leadership development workshops offered by W. P. Carey Executive Education. Visit wpcarey.asu.edu/executive-education

"So far we've had some great ones," he said. Past speakers include elected officials from Orange County and deans of both the W. P. Carey School of Business and the Sandra Day O'Connor College of Law.

For more information about the ASU Breakfast Club, contact Jack Cornman, jcornman@cornmanschwartz.com.

BUSINESS IS IN THE MIX

W. P. Carey alumni who live or work in the Phoenix West Valley got together for a mixer at Gordon Biersch Brewery Restaurant in Glendale on June 24. One of them was

Denise Ottenheimer (B.S. Business Administration '88), who uses the finance and management expertise she acquired at W. P. Carey teaching career and technical classes and advising the DECA club at

Centennial High School in Peoria. "One of the reasons I went is that I'm always looking for guest experts to speak in my classes," she explained. A large percentage of her students go on to college and they are looking for insights as they make their decisions about higher education.

Ottenheimer was not the only business educator at the event, which yielded new connections. Networking is one of the biggest reasons why alumni turn out for mixers.

STAR WARS DAY AT THE DIAMONDBACKS

About 50 alumni filled the Strike Zone at Chase Field to watch the Arizona Diamondbacks play the Detroit Tigers on July 21. It was Star Wars Day, and Galactic

continued on page 9



calendar of upcoming events

OCTOBER

9 Economic Club of Phoenix Luncheon

Ray Anderson, president for university athletics and athletics director at ASU
Location: JW Marriott Desert Ridge Resort
Time: 11:30 a.m. – 1:30 p.m.

16 Lawrence R. Klein Award for Blue Chip Forecast Accuracy Reception

Location: The University Club
1 West 54th St., New York, N.Y.
Time: 6 p.m.
No cost to participate

16 Women in Business Mixer Guest speaker, ASU Women's Basketball Coach, Charli Turner Thorne

Location: Pitchforks & Corks, Tempe, Ariz.
Time: 5:30 – 7:00 p.m.
No cost to participate

30 Homecoming Hall of Fame Reception

Location: McCord Hall Plaza, ASU's Tempe campus
Time: 5:30 – 7:30 p.m.
No cost to participate

NOVEMBER

1 ASU Homecoming Block Party and Football Game – ASU vs. Utah

Location: Old Main Lawn, ASU's Tempe campus

Time: TBD. Block party begins approximately 4 hours prior to kickoff.

12 Back to Class

Alumni are welcomed back to campus for a reception and the opportunity to take a class offered by W. P. Carey School faculty.
Location: McCord Hall, ASU's Tempe campus
Time: 6 – 8 p.m.
No cost to participate

13 Economic Club of Phoenix Luncheon

Kevin Knight, CEO of Knight Transportation
Location: Arizona Biltmore Resort
Time: 11:30 a.m. – 1:30 p.m.

21 18th Annual Spirit of Enterprise Awards

Location: JW Marriott Desert Ridge Resort
Time: 11:15 a.m. – 1:30 p.m.

DECEMBER

6 Alumni Volunteer Event with St. Vincent de Paul Hearts & Hands Day

Location: 420 W. Watkins Road, Phoenix, Ariz.
Time: 9 a.m. – 12 p.m.

Please be sure to visit wpcarey.asu.edu/alumni for additional events, updates and information. Pre-registration is required for most events. To register for Economic Club of Phoenix events go to econclubphx.org

Don't take our word for it: W. P. CAREY IN THE NEWS

W. P. Carey School of Business faculty are interviewed frequently by regional and national news outlets. Here's a sample of the resulting stories:



Timothy Richards'

research on the effects of a three-year drought in California was widely quoted in major media outlets this summer. Richards was the primary source of the article "Attention Shoppers: Fruit and Vegetable Prices Are Rising," in The Wall Street Journal on April 15, 2014 – one of 53 reports that drew on his work. Richards holds the Morrison Chair of Agribusiness in the Morrison School of Agribusiness.



Information Systems Professor **Ajay Vinze** contributed to a New York Times article titled "My Bitcoin Befuddlement"

on April 4, 2014. Vinze is the Earl and Gladys Davis Distinguished Professor, associate dean for international programs and associate vice provost, graduate education.



Professor of Practice **Donald Goldman** of the School of Accountancy contributed to the USA Today article "Tax

inversions allow firms to avoid state taxes" on July 21, 2014. The article details how companies in the United States relocate overseas for tax advantages.



Management Professor **Angelo Kinicki's** research on the effect of the CEO's personality on company performance

was the source of the Forbes article "Humble CEOs Are Best For Business, New Study Says" on July 29, 2014. Kinicki is the Weatherup/Overby Chair in Leadership.

Service is a verb at W. P. Carey

From welcoming new students at the airport to teaching computer skills at the public library, W. P. Carey students and faculty have a heart for helping. Student organizations and members of the faculty and staff have given time and resources to make a difference. Check out these good deeds:

Every fall the Business School Council raises money to buy toys for the children at Phoenix Day Child and Family Learning Center in South Phoenix. Students collect donations from faculty and staff and then shop for gifts based on each child's wish list. The highlight is the Phoenix Day of Service, when the students deliver the toys to the children. "It's an absolutely wonderful thing to experience the happiness and joy the children have on delivery day," said Sheridan Myers, a member of the council.

DISC (Department of Information Systems Club) is a busy student group that meets regularly to hone business skills and prepare for life after school. The group is committed to ongoing service projects, too. For almost 10 years, students have been teaching computer skills classes at the Tempe Public Library every Wednesday, including summers. In July, students manned a booth at the library's technology fair, where they showed patrons what the inside of a computer looks like.

Members of Ascend at ASU, a business community of Pan-Asian leaders, meet new international students at the airport at the start of the academic year with handmade signs and instructions. "A couple of our members remained friends with the international students they met that day and have served as mentors for them when they started their undergraduate careers at ASU," said Betty Lee, a member of the welcoming committee.

Members of Alpha Kappa Psi, the professional business fraternity, showed off their brains and brawn in the Mr. University Business Edition pageant. Eight contestants representing different campus business organizations participated in dance, talent, interview and swimsuit competitions and raised more than \$2,000 to benefit the Best Buddies ASU chapter and the Arc of Tempe. Contestants also collected more than 450 cans of food to donate to St. Vincent de Paul.

Another group of students formed the STEP Program, which works with high school students to improve confidence, self esteem and academic achievement by mentoring and development programs in preparation for college. Federico Bryner, one of the program's founders, said the STEP Program got its name because high schoolers are taking their first step toward a successful college career.

Associate Professor Phil Mizzi has been organizing W. P. Carey students to volunteer monthly at the Phoenix St. Vincent De Paul in Phoenix Family Evening Meal program for 20 years. In the last four years, W. P. Carey MBA and undergraduate students applied what they were learning to develop plans for improving pizza night at the dining room.

An MBA project dubbed "Pizza di San Vincenzo" introduced homemade pizza featuring whole wheat dough and fresh vegetables. Later that year, senior undergraduate economics majors developed a cost-benefit analysis of running a small pizza kitchen out of the society's main kitchen. A story in the Arizona Republic about the project led to a \$110,000 donation. The result: healthier food and a better dining experience for St. Vincent de Paul's guests — all because members of the W. P. Carey community cared.

Chapter news, continued

Empire Stormtroopers in white armor flanked the umpires as they walked onto the field. The Force was with the D-backs when they swept the Cubs in the previous three-game stand, but not in this encounter. Final score: 4-3, Tigers.

"I love the D-backs whether they win or lose, but at this event I really enjoyed meeting so many fellow W. P. Carey alumni," commented **Marilyn Espinoza** (B.S. Marketing '82).

COAST TO COAST

Dean **Amy Hillman** fielded questions from W. P. Carey alumni on August 4 at the Tavern on Broad in Philadelphia. The Tavern on Broad is the ASU Alumni Association's chapter house in Philadelphia.

West coast alumni joined the ASU Alumni Association for the third annual sunset cruise in Seattle on August 16. The boat passed through the Hiram M. Chittenden (Ballard) Locks to Puget Sound, providing a scenic backdrop for conversation.

STAY CURRENT

This fall brings two opportunities for W. P. Carey alumni to learn.

On October 16, economist **John Lonski** of Moody's Analytics will be awarded the Lawrence R. Klein Award for economic forecasting accuracy in New York City. The W. P. Carey School of Business sponsors and judges the award, one of the best-known and longest-standing awards in the economic profession.

On November 12, the school calls alumni "Back to Class" in McCord Hall. This stimulating evening starts with networking and hors d'oeuvres. Then everyone becomes a student again, attending a class taught by a W. P. Carey professor.

To register for either event go to wpcarey.asu.edu/alumni



Published research at W. P. Carey

The W. P. Carey School of Business faculty is shaping the research agenda in business disciplines. The following citations are a sample of the research published in peer-reviewed journals over the past year. W. P. Carey faculty names are in bold face. For more research publications, see W. P. Carey Magazine online.

Pablo Casas-Arce and Albert Saiz. (2014) Women and Power: Unpopular, Unwilling, or Held Back. *Journal of Political Economy* (forthcoming).

Phillip Lamoreaux with Dan Dhaliwal, Clive Lennox and Landon Mauler. (2013) Management Influence on Auditor Selection and Subsequent Impairments of Auditor Independence During the Post-SOX Period. *Contemporary Accounting Research*.

Matthew Wiswall with Daniela Del Boca and Christopher Flinn. (2013) Household Choices and Child Development. *Review of Economic Studies*, 81(1).

Berthold Herrendorf with **Richard Rogerson** with Akos Valentinyi. (2013) Two Perspectives on Preferences and Structural Transformation. *American Economic Review*, 103(7): 2752–2789.

Andrea C. Morales with Iana Castro and Stephen Nowlis. (2013) The Influence of Disorganized Shelf Displays and Limited Product Quantity on Consumer Purchase. *Journal of Marketing*, Vol. 77(4), 118-123.

Mary Jo Bitner with Nancy Sirianni, **Stephen Brown** and **Naomi Mandel**. (2013) Branded Service Encounters: Strategically Aligning Employee Behavior with the Brand Positioning. *Journal of Marketing*, Vol. 77, No. 6, November, 108-123.

Michael Shi with Huaxia Rui and Andrew Whinston. (2013) Content Sharing in a Social Broadcasting Environment: Evidence from Twitter. *MIS Quarterly*, 38(1): 123-142.

Jeffery LePine and Eean Crawford. (2013) A configural theory of team processes: Accounting for

the Structure of taskwork and teamwork. *Academy of Management Review*, 38, 32-48.

David H. Zhu (2013) Group polarization on corporate boards: Theory and evidence on board decisions about acquisition premiums. *Strategic Management Journal*, 34: 800-822.

Oliver Boguth and Lars-Alexander Kuehn. (2013) Consumption Volatility Risk. *The Journal of Finance*, Vol. 68, No. 6, December: 2589-2615.

Timothy Richards with David Shanafelt and Eli Fenichel. (2014) Foreclosures and Invasive Insect Spread: The Case of Asian Citrus Psyllid. *American Journal of Agricultural Economics*, 96(3): 615-630.

Thomas Choi with Elliot Rabinovich, Mei Li and Aaron Crawford. (2013) Self-Service Operations at Retail Stores: The Role of Inter-Customer Interactions. *Production and Operations Management*, 22, 4, 2013: 888-914.

Getting to know you:

China alumni hold first reunion



FROM LEFT: Jianguo Xu, Yundan Wang, Liming Ning and Buck Pei.

Provost **Robert E. Page Jr.**, W. P. Carey Executive Dean and Director of China Programs **Buck K. W. Pei**, and **William Brashears**, director of global education services. A group of Chinese W. P. Carey undergraduate students who were home for the summer also attended.

Alumni of W. P. Carey China programs number more than 1,300, including the graduates of the Executive MBA (EMBA) Beijing, the EMBA Shanghai and the Master of Science in Management (MiM).

The alumni event was part of a busy weekend. On July 3, students in the Doctor of Business Administration program hosted a banquet. The first class of DBAs will graduate in May 2015. On July 5, 150 EMBA and 50 MiM students received their degrees. The graduation ceremony was preceded by the annual executive forum, "World Economy and China: Future Trends and Challenges." The speakers included Nobel laureate and W. P. Carey Economics Professor **Edward C. Prescott**.

The W. P. Carey School gathered alumni from its graduate programs in China for a very special reunion on July 4. It was the first time that alumni representing every class, from 1998 to the present, were together.

About 120 alumni from the W. P. Carey China programs networked at an evening reception at the Radisson Blu Hotel in Shanghai. During the program, each class was invited to come to the podium for a group photo, followed by individual introductions. Also present were ASU

LEADING THE ADVANCE OF BUSINESS KNOWLEDGE

W. P. Carey faculty members are editors and associate editors of 14 leading journals, and receive awards from academic associations and grants from institutions such as the National Science Foundation. Read on for a sample of recent kudos.

Professor of Accountancy **Steve Kaplan** was awarded the American Accounting Association Notable Contribution (Lifetime Achievement) Award for the accounting, behavior and organization section.

Associate Professor of Economics **Amanda Friedenberg** was awarded a National Science Foundation grant for "Strategic Uncertainty: Applications."

Rondthaler Professor of Economics **Dan Silverman** has won the Arizona State University Faculty Achievement Award for Defining Edge Research in Social Sciences.

Assistant Professor of Economics **Matthew Wiswall's** project exploring "Household Decision Making and Child Development" has been awarded a National Science Foundation grant.

Horace Steele Arizona Heritage Chair of Management **Blake Ashforth** has received the 2014 Journal of Management Inquiry Outstanding Scholar Award.

Professor Emeritus of Management **Anne Tsui** has been awarded the Outstanding Achievement Award by the University of Minnesota.

Mary Jo Bitner, executive director of the Center for Services Leadership, received the 2014 Marketing Innovator Award from the Marketing Management Association.

Marketing professors **Ruth Bolton** and **Beth Walker** won the 2014 Journal of Service Research Best Paper Award.

Professor of Marketing **Andrea Morales** is a co-chair of the Society for Consumer Psychology winter conference in Phoenix, February 26-28.

Marketing Department Chairman **Beth Walker** was elected to a three-year term on the Board of the American Marketing Association (AMA), beginning in July 2014.

Professor of Supply Chain Management **Elliot Rabinovich** was presented with the Nash Outstanding Doctoral Alumni Award from the University of Maryland.

Associate Finance Professors **Yuri Tserlukevich** and **Ilona Babenko** received funding for their research on risk management from the Arditti Center Summer Research Grant Program.

Associate Professor **Uday Kulkarni's** 2011 paper "A knowledge management success model: theoretical development and empirical validation" was chosen for the Citation of Excellence Award, which recognized the 50 best papers published in 300 top management journals in the past 15 years.

Assistant Professor of Agribusiness **Carola Grebitus** won the Sylvia Lane Mentor Fellowship endowed by the Agriculture and Applied Economics Association Trust.

Moderating the economic conversation for 30 years



The Economic Club of Phoenix (ECP) has been promoting the discussion of economic and business issues among academic, business and policy leaders in the Phoenix metropolitan area for 30 years.

The first year, 1985, established a high standard. Speakers included the president and CEO of Dow Chemical Company, the chairman of General Motors Co. and a member of the Board of Governors of the Federal Reserve System. In the following years

the club hosted notables such as Alan Mulally, Herb Kelleher, Meg Whitman, Michael

Dell, J.W. Marriott, Sally Ride, Milton Friedman, Steve Forbes and Craig Barrett. Highlights of the past three seasons include Doug Parker, CEO of American Airlines Group, Inc., Major General Josue Robles Jr. USA (Ret.), the president and chief executive officer of USAA and Punit Renjen, chairman of the board, Deloitte LLP.

The Economic Club of Phoenix has its roots in the Dean's Council, a group of business leaders that supports and advises the school. Members promoted the idea of an organization that would bring high-level speakers to the Valley. The Dean's Council Executive of the Year Luncheon is an anchor of the Economic Club year, as is the annual Economic Outlook Lunch, which began during that seminal first season.

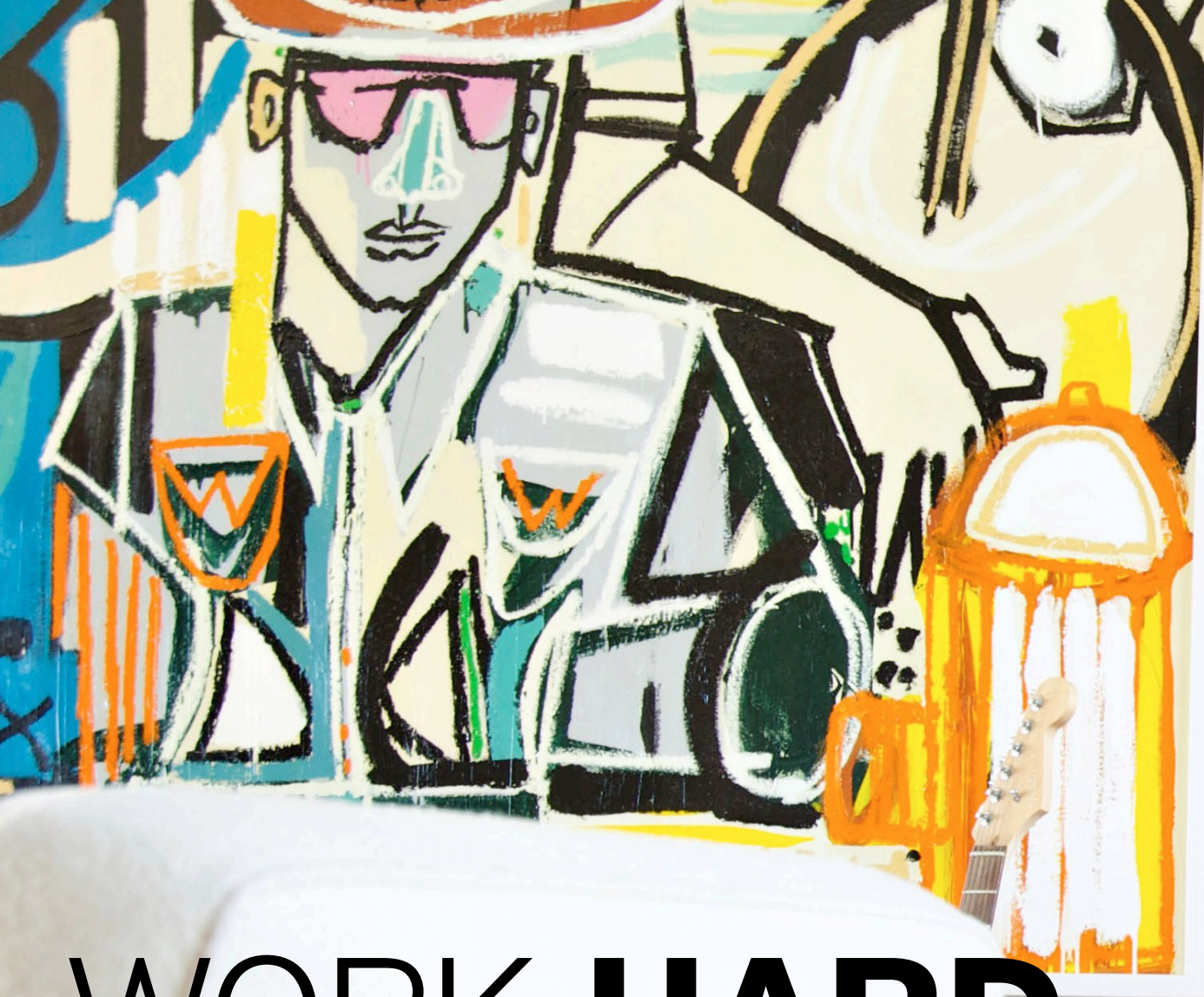
In recent years, the program has expanded to include "The Economic Minute," which focuses on the national and regional economies, and "The Academic Minute," highlighting the latest faculty research.

John Lucking (MBA '69), president of Econ-Linc, has been a member of the Economic Club since its founding.

"In addition to the excellent speakers, the meetings offer an opportunity to visit with longtime friends and make new acquaintances with diverse backgrounds and experiences. I always enjoy attending the meetings and look forward to many more years as a supporter of the school and ECP," he said. Dean Amy Hillman commented that "I always leave the ECP luncheons feeling inspired. You hear great stories from exceptional leaders."

Today, Economic Club of Phoenix membership includes leaders from the top businesses and organizations in the Phoenix area and beyond. Individual and corporate memberships are available, as well as the opportunity to sponsor an individual event or an entire Economic Club of Phoenix season.

For more information, see econclubphx.org or email johanna.urrutia@asu.edu



Bill Trefethen, founder and managing partner of Trefethen Advisors in his San Clemente home.

WORK HARD, PLAY HARD

Bill Trefethen pushes the investment frontier, then masters the waves

FROM HIS HOME in San Clemente, California, Bill Trefethen (B.S. Accountancy '87) is overlooking Trestles, a world-famous surf break on the Southern California coastline. After spending the morning in the water following his 5 a.m. conference calls to the East Coast, he's contemplating whether to jump back into the ocean with his surfboard or venture out on a bike ride after completing the rest of his work day.

Trefethen, founder and managing partner of Trefethen Advisors, has spent most of his life balancing adventure in the business world with a thirst for adventure in his personal life. "I wouldn't say work is the center of my universe," he says. "I work to live, I strive for balance in life. That's not to say I don't work an 80-hour week."

His search for adventure has taken him to the Maldives and Indonesia to surf, led him to form a friendship with legendary surfer Kelly Slater and propelled him to climb Mont Blanc, the highest mountain in the European Union and the Alps. It also spurred him to found a commercial finance business **continued on page 14**



Story by **Joseph Lapin**
Photography by **Heather Hill**
Styling by **Mariel Gadd**

“ASU graduates are willing to work hard and learn and do not have a sense of entitlement. I have had great success recruiting from ASU over the years.”



named American Commercial Capital and sell it to Wells Fargo. Recently he followed a promising tangent in the restaurant business before returning to his career in investment management.

His sense of balance and an entrepreneurial philosophy has guided him throughout his career. Looking back, he says his accounting degree from the W. P. Carey School of Business and his time spent in the Big Six consulting firms in Los Angeles formed the foundation.

PREPARATION FOR BUSINESS ADVENTURE

Trefethen started his career in investment management by studying accounting. He never intended to become an accountant, but he understood, even at a younger age, that accounting provided the foundation necessary for success in business. Now when he considers hiring applicants right out of college, he looks primarily toward accounting majors, because he believes a degree in accountancy teaches a student how to think logically in a business context.

"It's the language of business," says Trefethen. "In the end, business comes down to numbers: investment, profit and loss." More than other majors, Trefethen says, accountancy is the conceptual foundation of business, and it's difficult to pick up without formal coursework.

For Trefethen, the combination of hard work and a desire to succeed is the bedrock of his professional philosophy. When he graduated from W. P. Carey he felt like an underdog, and it propelled him to work harder, take risks and seek adventure.

"ASU graduates are willing to work hard and learn and do not have a sense of entitlement. I have had great success recruiting from ASU over the years."

After graduating, Trefethen had countless job offers, but he looked exclusively at Los Angeles. Growing up in Colorado Springs, he dreamed of surfing in California and finding a way to start his own business. For eight years after college, he worked in the Big Six consulting arena. The work experience provided him with additional training and exposure to finance and management, which, combined with his degree, helped him develop an idea that would ensure that he would work for himself for the rest of his life.

A TURNING POINT: AMERICAN COMMERCIAL CAPITAL

Trefethen's first significant business venture was American Commercial Capital. Just 33 years old at the time, he had an idea to utilize the capital markets to more efficiently finance businesses that were in the branded retail space, such as car dealerships, restaurants and gas stations.

For Trefethen, a combination of hard work and a desire to succeed is the bedrock of his professional philosophy. When he graduated from W. P. Carey he felt like an underdog, and it propelled him to work harder, take risks and seek adventure.

"I remember I got a bunch of books on the topic," says Trefethen, "and I went to Palm Springs and spent days reading. I convinced myself I knew a way to more efficiently finance these businesses than was currently being done on Wall Street."

Just like the energy he feels in the waves at Trestles, Trefethen saw opportunities in the capital markets. He formed American Commercial Capital based on his new vision with two professionals from Goldman Sachs. Those professionals were John Shrewsbury, currently the CFO at Wells Fargo & Co., and Marc K. Furstein and Constantine M. Dakolias, both managing directors at Fortress Investment Group LLC.

"The unique thing was branded businesses have a combination of different types of assets," says Trefethen. "They have tangible assets such as real estate, equipment and inventory, and intangibles such as franchise rights, goodwill and trademarks ... Capital markets typically looked at the financing only tangible assets such as real estate. Banks would just see the transaction as asset-based financing secured by a basket of primarily tangible assets. We looked at it as a combination of tangible and intangible assets and provided capital secured by a combination of the collateral, bifurcating the collateral into two component parts and monetizing them separately in the capital markets to create an arbitrage."

Trefethen and his team sold American Commercial Capital to Wells Fargo in 1997, and after a year, he left Wells Fargo to pursue his own investment management and banking business. Looking back on the company he started when he was 33 years old, Trefethen views American Commercial Capital as a pivotal moment in his career, when



the foundation of his education and working experience coalesced and helped propel him into his own business.

“We built a rock star team and a successful banking business,” says Trefethen. “(American Commercial Capital) was the real turning point.”

DAPHNE'S CALIFORNIA GREEK

In August 2010, Trefethen bought the bankrupt restaurant chain Daphne's Greek Cafe and rebranded the company Daphne's California Greek. As CEO, he gave the Mediterranean-style restaurant chain of 60-plus stores a facelift appealing to a younger, more active demographic that demands healthy options. This was a completely new adventure for Trefethen, because his main business had always been rooted in finance.

“I manage capital on the behalf of institutional investors to build value while managing risk to earn outsized returns,” says Trefethen, underscoring the theme that goes through all of his ventures. He's able to see opportunities where others can't – a skill he believes he developed by first learning the foundations at the W. P. Carey School. Daphne's California Greek was a case where he partnered with an institutional investor to reposition the company, save jobs and generate a significant return.

Stepping in as CEO was unexpected: Trefethen came into the company and took over when the former CEO resigned. As interim CEO he took on control of the operations and the rebranding efforts. He redesigned the brand based on customer input, research and his own intuition – modifying everything from the brand name to the menu – and brought in Kelly Slater as a brand ambassador. He saw this as a unique venture, because Daphne's California Greek was an opportunity to buy the entire brand of corporately operated stores, and he would have creative control over the direction of the company.

“What I did with Daphne's was a big test of my versatility, because I was a finance guy and had never managed an operating company before,” says Trefethen. “I figured I was pretty good at management, strategy and design, and I had invested in a lot of similar companies. I thought my combination of skills would be useful. It ended relatively successfully.”

Wreath Equity LLC, an investment firm led by Bill Trefethen, sold Daphne's California Greek in May. Now Trefethen is back to his core business, which is finance and investment management. “I think my days as a CEO of a consumer product company are over, but it provided an invaluable experience to learn from, which I think will make me a better manager of capital in the future.”

Sky's the limit

**W. P. Carey
entrepreneurs
prepare for
takeoff**

Nathan Wenzel (B.S. Finance '99) was hiring employees at a rapid clip for his first business, and knowing he'd have the cash on hand to meet payroll was a snap – thanks to the financial modeling he learned in business school at ASU.

Jeremy Ellens (B.S. Management '12) tried out various business ideas that wouldn't make money – until he met fellow students in ASU's Edson Student Entrepreneur Initiative and Changemaker Central and launched what would become Yazamo, a digital marketing company.

Lea Parks figured supply chain management would be a good Plan B in case employers balked at her entrepreneurship major. As an intern she wowed the co-founder of a Phoenix startup with her insights into how the market for his next product really works.

Whether success comes from classroom learning, university resources or business and personal networks, students and alumni make the case that going to business school is a smart move for anyone who wants to be an entrepreneur. They still debate whether entrepreneurs are born or made, but most agree that anyone can fine-tune his or her ability to evaluate opportunities and marshal the resources to capitalize on good ones.

There's no one route to success, but "I think you need business **continued on page 18**

COVER STORY **wpc**

Story by **Jane Larson** }
Photography by **King Lawrence** }



school to be a wildly successful entrepreneur,” said Brad Jannenga, chairman, president and CTO of Phoenix software company WebPT, which develops electronic records for physical therapists. “If you don’t have that core understanding of business, you’re very quickly left behind within your own company.”

Access to resources and connections means entrepreneurs can start businesses at ASU in less time and for less money, said Sidnee Peck (MBA ‘09), the new director of the Center for Entrepreneurship at the W. P. Carey School of Business.

“Entrepreneurs are very resourceful, and the university is so ripe with resources,” Peck said. “Here you have access to a lot of things that would take you a lot longer and cost you a lot more to do anywhere else.”

CLASSROOM AND BEYOND

At its most basic, business school is indeed about learning the fundamentals. Finance, accounting, marketing, management or information systems become a specialty for many students, but an entrepreneur needs a working knowledge of all of them. Business school is where future entrepreneurs learn key concepts such as the critical importance of the cash flow cycle and the ways marketing can reveal what makes customers tick.

Professor of Practice Gary Naumann skips the textbooks in favor of case studies and guest speakers in his undergraduate capstone class and MBA classes. He brings his background and contacts from a career in corporate finance and business banking, plus his experience co-founding and growing a family-owned toy retailer.

Naumann realizes that while some students become entrepreneurs, others will become “intrapreneurs” at established firms, so he pushes them to think about whether a business idea makes sense, whether there is a real hole in the market that they can fill and what alternatives are available.

“They learn the most important thing in almost any business, which is to ask the tough questions up front ... and how to filter the advice they’re getting,” Naumann said. From there, they pull together strategies and adapt to changes. If you’ve been exposed to many different issues,

opportunities and challenges, you’ll begin to recognize patterns. Students learn from experience – I try to get them as close as possible without writing checks.”

Parks said her classes have helped her approach problems more creatively. “Especially when you’re building a new product, you have to think of all of the crazy ideas that could be out there, then narrow it down and figure out what you’re going to do right now,” she said.

Finance classes helped Wenzel reduce risks in that first business,

“...when you’re building a new product, you have to think of all of the crazy ideas that could be out there, then narrow it down and figure out what you’re going to do right now.”

~ *Lea Parks*

a data analytics service called Edge Solutions. “When you can, with confidence and certainty, look at your financial picture and say, ‘OK, this is where we’ll be and this is what we have to do: we have to sell x, we have to deliver x and then we have to collect and this is when that’ll happen.’ It takes a lot of the fear out of it. It takes a lot of the risk out of it. You actually have a plan.”

CENTER HAS RESOURCES APLENTY

Entrepreneurial students and businesses trying to grow don’t need to go it alone when charting next steps. The Center for Entrepreneurship, formerly the Spirit of Enterprise Center, has been expanding its role under Peck. The center continues to run the Spirit of Enterprise Awards, and

Center Director
Sidnee Peck

connects the school with the business community. “When you have an issue or a question, and you’re an alumnus or a business owner in Arizona, you come to us because we are the area leader in understanding the ecosystem and connecting people,” she said. “That’s one of our biggest strengths.”

But Peck has set additional goals for the center. First, it will locate and recognize ASU alumni who run successful businesses, and second, it will connect students and businesses with the most relevant resources available at ASU and in metro Phoenix, including funding through a new challenge launching this fall.

Peck sees the center helping students along both “intrapreneurial” and entrepreneurial paths. She aims to connect bright students with the community of entrepreneurs to find jobs — often the ones that startups haven’t posted or advertised — and provide value. Those who want to start businesses are encouraged to think big and believe they can achieve big things.

Finance and entrepreneurship graduate Devesh Tuteja tapped the center and professors such as Matt McCarthy to develop Devils Connect, a website that helps students form effective study groups. When vast class sizes gave Tuteja the idea for a buddy-to-buddy system, Peck urged him to determine whether others felt the same problem. Professors helped Tuteja and his partner survey students and later present their plan to classes.

“One of our mentors used to always say, ‘Focus on the thing that is the dire need. What are you trying to solve?’” Tuteja said. “He has made us realize we need to stick to our roots, our core idea of connecting students and making sure they’re academically focused.”

Devils Connect now has more than 2,600 users and is growing rapidly.

Devesh won the Spirit of Enterprise’s inaugural Student Entrepreneur Award last year and their team was recognized this year with a \$2,500 grant at the Innovation Challenge Awards. A version for tablets and



The Sun Devil **IGNITER CHALLENGE**

es Brun, one of four entrepreneur/investors who make up the Sun Devil Igniter Board, likes to quote a friend who says, “show me a self-made man and I’ll show you a liar.”

“The four of us came from very humble beginnings, and we recognize that maybe we worked as hard as or harder than others, and maybe we were as smart if not smarter than others, but, if not for someone taking an interest in us at some point in our careers we would not have achieved what we did,” Brun says. The Sun Devil Igniter Challenge is designed to give one team of ASU students per year the benefit of that kind of attention.

The challenge is the brainchild of Brun and fellow board member Thomas Cowan, who decided to back a type of business competition that is rarely found at the university level. In addition to investing \$50,000 in the winning enterprise, the board will provide ongoing mentorship.

**“Show me a self-made man
and I’ll show you a liar.”**

Brun has more than 30 years’ experience in investment banking, and is currently chairman and CEO of Sarr Group LLC, a holding company for his investments. Cowan has market depth in SaaS, mobile technologies and data analytics, as well as 20 years at IBM, where he held CFO and GM roles.

They recruited two more members: W. P. Carey Finance Research Professor Carr Bettis, the founder of several businesses and chief architect of numerous market-leading financial science and technology innovations, and Allan Kaplan, a co-founder of three successful technology companies and a partner in a private venture fund.

“The beauty of the four of us is that we’re all coming at it from different angles,” Brun said.

The Sun Devil Igniter Challenge is for ASU students who have a disruptive idea, who are willing to take the risk and put in the sweat to bring that idea to market successfully. The deadline for applications is October 20, and on November 17, up to five finalists will receive \$5,000 each to prepare a business plan and presentation. In early February 2015, the finalists will present their plans to the board and one winner will be selected.

After that, the Igniter Board — now investors — will work closely with the entrepreneurs to bring the plan to life. Brun says he hopes that in the next 10 years, three or four of these companies will succeed and grow, creating jobs in the community. “We hope this helps position both Arizona and the university as a place where there is a level of intellectual talent, entrepreneurship and drive that warrants a look from the best students, the best faculty and growing businesses,” he said.

For more information about the Sun Devil Igniter Challenge or other sponsorship opportunities, contact Sidnee Peck, sidnee.peck@asu.edu, director of the Center for Entrepreneurship.

smartphones is in the works, and the partners hope to license the concept and expand it to other universities.

NETWORKS OPEN DOORS

Business is personal, and the networks available to would-be entrepreneurs run far and wide. One advantage of a large university, Peck said, is that students have a huge network of classmates with different skills and perspectives. Another is the network of people connected with the business school, many of whom visit campus and speak in classes and student club meetings.

Wenzel as a student stayed busy outside of the classroom. He joined the American Marketing Association, worked at the ASU Bike Co-Op and rode for the ASU Cycling Team, and he urges others to network via extracurricular activities and leadership roles. Setting goals and figuring out the steps to achieve them are valuable skills that transfer to business, he said.

“One of our mentors used to always say, ‘Focus on the thing that is the dire need. What are you trying to solve?’”

~ *Devesh Tuteja*

Wenzel's ASU connection proved valuable when he used his alumni status to meet with the university's legal office concerning his latest venture, SimpleLegal. The firm, which is backed by Silicon Valley's prestigious Y Combinator incubator, helps companies automate their legal departments.

Although it was a sales meeting, Wenzel got valuable advice from the attorneys. "It's incredibly helpful for any business to have some sort of large customer or prospective customer, someone who's big, that you can show what you're doing," Wenzel said.

Paul Blake (B.S. Marketing '99), now a co-founder of California-based Scribbles Software, agreed that the large, diverse student body of ASU teaches students to network in a business environment. For example, Blake was a classmate of Wenzel.

"You have to be social to excel in business, right?" he said. "You can't be a hermit living in your closet and expect to sell anything."

Blake and coworkers from a failed dot-com launched a company developing online forms-processing software. They grew Hershey Systems to a client base of 350 colleges and universities before selling it to a competitor. They retained the piece of the company, now Scribbles, that provides school districts with online ordering services for student transcripts.

FAIL-SAFE

College also is a more forgiving place when you make mistakes, Blake said. Although no one should ever skip their homework, it's better to learn the consequences by showing up unprepared for a class presentation rather than later on, "when there's a million-dollar deal on the line," he said.

Parks saw the passion and risk-taking of entrepreneurs when she attended a Global Entrepreneurship Week event at ASU. Peck connected Parks with WebPT, and Jannenga hired her as an intern for a team that builds claims-submission and reconciliation software.

Parks saw firsthand the sweat and dedication required to make a business succeed. WebPT, Jannenga said, benefited from the perspective of an outsider who repeatedly refocused the team on the big picture.

Ellens' experiences show that connections and networks make failure in school less risky than failure in the outside world.

He remembers being interested in running his own business, but he didn't know what to do or how to start. With the help of professors reviewing his first business plan — an app for veterinarians — he was accepted into ASU's Edson program. When he realized the app was no blockbuster, he assembled a team that worked on additional apps and web development. The team soon had too many owners and ideas, he said, so he and a partner spun off to create Yazamo, building marketing systems that help clients increase the lifetime value of their customers.

The Edson connections helped Ellens find investors, media and mentors. Those contacts introduced him to the Entrepreneurs' Organization Accelerator and helped Yazamo develop a client base of well-known authors and speakers.

Ellens is one who favors the "just do it" approach to startups. "Your first one's probably not going to be the one you're going to make your money on," he said. "It's probably just going to be a learning opportunity."

RETURN ON INVESTMENT

For those who go to business school and become entrepreneurs, the bottom line question is about their return on investment. What do they get for four years and tens of thousands of dollars?

In the short term, entrepreneurs say, college was a time to grow up personally and professionally — to live on your own, to figure out what works and what doesn't, to hone your skills and to meet a variety of people who can help you and can vet your ideas.

Down the road, business school and entrepreneurship training become what Naumann calls a lifelong ability to think through situations and make reasoned decisions. Knowing opportunities, risk and the way business works increases your odds of winning, he said.

"I've seen so many people run out there thinking they have a great idea, and they do, but then they just can't manage the business ... and they fail," Blake said. "It usually just boils down to running the business correctly." ■

“You have to be social to excel in business, right? You can’t be a hermit living in your closet and expect to sell anything.”

~ Paul Blake

New center offers gateway to opportunity

The new Center for Entrepreneurship at the W. P. Carey School of Business is an entry point to an ecosystem of resources and support programs. The Center helps students evaluate opportunities, identify strategic plays and take calculated risks in an environment where it’s safe to lose and so much easier

to win. The center interacts with executives and mentors, who share their ideas with the next generation of great entrepreneurs. And it celebrates entrepreneurial Arizona businesses that persevere and create their own success.

In its new headquarters at the W. P. Carey School, the Center for Entrepreneurship

provides a place to find faculty, meet with other entrepreneurs, hold pitch meetings or convene a board of directors. “This is a place where there’s that creative friction that leads to ideas,” said center Director Sidnee Peck.

Plan to visit when you’re on campus. It’s located on the third floor of the BAC.

SUN DEVIL SELECT

AT Arizona State University, entrepreneurship is a mindset that crosses college lines and permeates all activities. It's no surprise that the university has been the starting point for rising careers and enterprises. The Center for Entrepreneurship at the W. P. Carey School of Business launched Sun Devil Select this year as a way of bringing ASU alumni who are founding or leading successful enterprises back to campus to celebrate.

This fall, the Center for Entrepreneurship accepted nominations for the inaugural class. Candidates had to be founders or key executives in high-achieving businesses for three years or more. Those selected will be invited back to campus in March to connect with one other, visit their colleges, meet students and celebrate.

"I think given the importance of entrepreneurship at W. P. Carey and ASU this award is quite significant," said Dean Amy Hillman. "It raises the visibility of Sun Devil led or founded businesses as drivers of the economy and celebrates the success of our alumni. We hope that by honoring these businesses we'll provide role models and potential mentors for our current students who aspire to start their own businesses."

For more information, or to nominate yourself or someone else, see wpcarey.asu.edu/research/entrepreneurship/sun-devil-select

SPIRIT of ENTERPRISE

A backbone for business

When Clate Mask (B.A. Economics '96), Scott Martineau (B.S. Computer Information Systems '00) and Scott's brother Eric co-founded Infusionsoft in 2001, they planned to build a company that provided web-based CRM software to small businesses. They also planned to sell it.

"We started out with a vision that was all about us, which was natural but insufficient," says Scott, paraphrasing E-Myth author Michael Gerber, who wrote "companies don't die because their dreams are too big, they die because their dreams are too small."

Both Clate and Scott credit Gerber, an early mentor, for helping them stop building to sell, and begin selling themselves on what they wanted to build. By early 2007, they envisioned Infusionsoft as an entrepreneur's champion. Shaping the standard sales and marketing software used to grow small businesses, they accelerated with capital. And they crafted the purpose, values and mission behind what Clate today says is the secret weapon of their business: "a killer company culture."

Too often confused with amenities, culture is at the heart of everything Infusionsoft does, explains Scott. Surface-level features like its indoor football field and cereal bar

are just byproducts of an established culture, crafted around that clear purpose, values and mission. Culture has been a foundation for Clate and Scott to build upon, and a strategic framework to plan around. Culture-based infrastructure has helped them to raise \$71 million in capital, engage nearly 80,000 users, acquire two companies, make seven Inc. Magazine 500/5000 appearances and grow from 100 to more than 550 employees — the majority entrepreneurs.

18 rounds of applause

A staple of the entrepreneurial community, culture is something to celebrate. For the past 18 years, the W. P. Carey Spirit of Enterprise Awards has honored Arizona businesses like Infusionsoft — winner of the 2007 Emerging Enterprise Award — for embodying the entrepreneurial spirit.

We can't wait to see who wins this year — and it's not too late for you to help us celebrate. The 18th Annual Spirit of Enterprise Awards Luncheon will honor another class of incredible businesses on November 21. Join us from 11:15 a.m. to 1:30 p.m. at the JW Marriott Phoenix Desert Ridge Resort. Register to attend at wpcarey.asu.edu/spirit ~ *Hannah O'Regan*

“Companies don’t die because their dreams are too big, they die because their dreams are too small.”

Story by **Teresa Esquivel**

Photography by **Shelley Marie Valdez**

PLACES TO GO



Fall is a great time to visit campus! Homecoming is October 27 to November 1, and if you have a student at ASU, Family Weekend is October 17-19. The

ASU community is planning plenty of fun and games to keep you busy and engaged, but sometimes the best times are when we connect with old friends and family while revisiting college hangouts. Here, we offer a look at some favorite Sun Devil spots – both past and present.

GONE BUT NOT FORGOTTEN

➤ *The Varsity Inn* was the place to see and be seen from the late 1920s until 1944. Based on an amateur film made by owner and manager Bill Bailey, the hangout was located on College and University, near the spot where the Fulton Center and College Avenue Marketplace now stand.

Depending on when you attended ASU, you probably popped in at Freddie's Down the Road Tavern, The Library, The Thirsty Beaver, Dos Gringos Trailer Park, Rocky Point Cantina or, briefly, Havana Cabana. The same address on 8th Street near the railroad tracks has been home to all these bars. The early days here were hopping; now, not so much.

➤ If you have fond memories of *Frank's Friendly Tavern*, all is not lost. Frank's closed and became The Baer's Den, but it still has the same neighborhood bar feel and even the tagline, "AKA Frank's Friendly Tavern." Due to development in the area, the bar had to move 125 feet down the road. The new space is bigger, but still a homey spot for watching sports, especially the Red Sox.

Just a short jaunt from Sun Devil Stadium, **Bandersnatch Brew Pub** was a pregame favorite in the 1990s. The bar was sold in 2003 after some 12 years under the same ownership. It was reportedly going to reopen, but right now there's nada.

➤ Remembered by W. P. Carey alum Craig Smith (MBA, '99) as being the closest place to the business school and having "the most impressive spout collection on one wall I had ever seen up to that point," the **Timber Wolf Pub** also helped students relax after class with darts, table shuffleboard and video games. It was located at



740 E. Apache Blvd., where the Hassayampa Academic Village now stands.

➤ In 1981, the **Devil House** opened its doors and dance floor to students. Somewhere along the way the name changed to Club Rio, but the live music and festive atmosphere stayed the same ... until a developer bought the lakefront land in 2004 and shuttered the place for good. The building is gone, but so far the planned development hasn't happened.

➤ **Long Wong's** was a little rundown, but it was a decent

place for wings and one of the best places in town to get a taste of the local music scene. It closed its doors in 2004 after 20 years at 7th St. and Mill, and the building was razed soon after. Other Long Wong's locations have opened (and closed) in the area, but none has captured hearts like the original.

➤ From 1972 until 2005, students regularly packed the rafters at **Minder Binders**, a barn-style bar where co-eds could catch up with friends and dance to live music amid a



FROM LEFT: Bandersnatch; The Varsity Inn; Kilt Lifter beer from Four Peaks Brewery; Freddie's Down the Road.

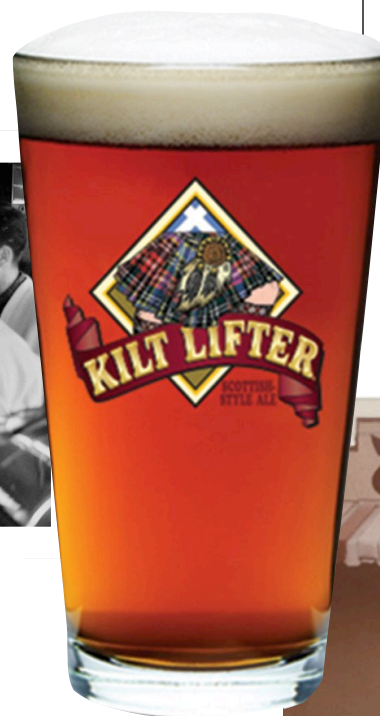
massive collection of antique oddities. The building is still standing at 715 S. McClintock Drive and is currently undergoing a facelift for a reported reopening sometime this year.

STILL STANDING

➤ Everybody loves **Casey Moore's Oyster House** ... even the spirits of the long-deceased owners of the 1910 house are still said to be seen dancing upstairs in the wee hours of the morning. Called Ninth and Ash from 1973

until Casey Moore's opened in 1986, the place is usually crowded, but it's always, somehow, the perfect place to be for good food, drinks and camaraderie. caseymoore.com

➤ If there's one place probably every Sun Devil has visited, it's **The Chuckbox**. Burgers are the name of the grilling game here, and thankfully that's something that hasn't changed in 35 years. thechuckbox.com



➤ "We would try to find venues that had food and drink specials, as well as some form of entertainment, like sports tables, trivia and dancing," says Kristin Cobuzzi (MBA, '11). **Devil's Advocate** fit the bill then and continues to do so. devilstempe.com

➤ Although alumni might not have frequented fine dining restaurants much while they were struggling students, this time around it might be nice to

know that **House of Tricks** is still keeping it classy in its quiet, shady corner of Tempe. Opened in 1987 by Robin and Robert Trick — a couple who met while working at Bandersnatch, by the way — the restaurant wows with seasonal, contemporary American cuisine and an award-winning wine list. houseoftricks.com

➤ **Mae West's** served hearty breakfasts at the corner of University and Hardy. Now, Harlow's Cafe stands in its place, but the wood paneling, memorabilia and menu are the same as the good ol' days. [480-829-9444](tel:480-829-9444)



➤ **Monti's La Casa Vieja** opened in the former home of Charles Trumbull Hayden in 1956, and has been feeding Sun Devils and their visiting families ever since. Last year, the establishment opened Tempe's Front Porch, an outdoor dining space with a lighter, less traditional menu than Monti's, including specialty small plates, craft beers and fresh-squeezed cocktails. montis.com

➤ Besides getting good grades, of course, getting good food at a good price is every college student's goal. **Pete's Fish & Chips** has been filling the bill for decades. In Tempe, the first location was at 820 S. Mill Ave., where the CVS now stands, but it moved in the early '90s to the south side of Apache east of Rural. petesfishandchips.com

NEW AND NOTEWORTHY

➤ **Cartel Coffee Lab** hit the big time when it was recognized by Food & Wine Magazine as one of America's Best Coffee Bars. The bicycle-rim sculpture



the expected, D'lish also whips up smoothies that soothe and sustain. "I really like this place because it's a healthier option that tastes just as good as the name suggests," says Erica Williams, a business communications and business legal studies major who expects to graduate in spring 2016. "My favorite is a protein shake named the Breakfast Buzz – it tastes like a milkshake but it's actually good for you!" dlishdrivethru.com

➤ Lee has another tasty suggestion. A little out of the way but worth the trip, the **Crepe Bar** is quickly becoming a student favorite. "They have the most delicious crepes I have ever eaten," she says. "Their sweet crepes are a must-have, though their savory ones are delicious, as well." crepe-bar.com

➤ **The Handlebar Tempe** was named the Best Hipster Bar

➤ If a spot gets voted Best Wine Bar (AZ Central, 2013), it's probably worth stopping in. For wining and dining, **Salut Kitchen Bar** offers more than 100 wines and a full menu of tapas and bruschetta for a light bite, as well as heartier fare, too. salutkitchenbar.com

➤ Housed in a brick creamery built in 1892, **Four Peaks Brewing Company** draws student crowds after class and on weekends. "Being so close to campus, this one is a local favorite," Lee says. "They have



FROM LEFT: Long Wong's; Minder Binders; Coffee Cartel, Hummus nachos with pomegranate seeds from Salut Kitchen Bar.



inside is fun, but it will be the caffeine you'll appreciate to get you through all the Homecoming festivities. cartelcoffeelab.com

➤ A few blocks away find **Essence Bakery Café**. Chef Eugenia Theodosopoulos worked with a French chef to achieve perfect conditions for baking croissants in the Arizona heat. She's also famous for her macarons, so don't forget to pick up some goodies for the flight home. essencebakery.com

➤ Venture to the other side of campus to sample **D'lish** for breakfast or lunch. In addition to

➤ If you want another healthy option, especially if you are vegetarian or vegan, **Green New American Vegetarian** is a great place to go, says Betty Lee, a current student working on her B.S. in supply chain management and finance. "They serve mainly vegan options, and make vegan food taste great," Lee says. She recommends the vegan burgers and the Tsoynami, a soy-based ice cream. greenvegetarian.com



by Arizona Foothills Magazine, but don't let that stop you from trying this bike-friendly beer garden. The late night menu makes this a popular place to go after a night out, and the rotating selection of 48 beers keeps it interesting any time of the day. handlebaraz.com

fairly priced happy hours and delicious appetizers, like their chicken wings and chicken tenders. My personal favorite is their brunch menu, with a variety of breakfast foods and Mexican foods." fourpeaks.com

➤ Besides getting good grades, of course, getting good food at a good price is every college student's goal. **Pete's Fish & Chips** has been filling the bill for decades. In Tempe, the first location was at 820 S. Mill Ave., where the CVS now stands, but it moved in the early '90s to the south side of Apache east of Rural. petesfishandchips.com

NEW AND NOTEWORTHY

➤ **Cartel Coffee Lab** hit the big time when it was recognized by Food & Wine Magazine as one of America's Best Coffee Bars. The bicycle-rim sculpture



the expected, D'lish also whips up smoothies that soothe and sustain. "I really like this place because it's a healthier option that tastes just as good as the name suggests," says Erica Williams, a business communications and business legal studies major who expects to graduate in spring 2016. "My favorite is a protein shake named the Breakfast Buzz – it tastes like a milkshake but it's actually good for you!" dlishdrivethru.com

➤ Lee has another tasty suggestion. A little out of the way but worth the trip, the **Crepe Bar** is quickly becoming a student favorite. "They have the most delicious crepes I have ever eaten," she says. "Their sweet crepes are a must-have, though their savory ones are delicious, as well." crepebar.com

➤ **The Handlebar Tempe** was named the Best Hipster Bar

➤ If a spot gets voted Best Wine Bar (AZ Central, 2013), it's probably worth stopping in. For wining and dining, **Salut Kitchen Bar** offers more than 100 wines and a full menu of tapas and bruschetta for a light bite, as well as heartier fare, too. salutkitchenbar.com

➤ Housed in a brick creamery built in 1892, **Four Peaks Brewing Company** draws student crowds after class and on weekends. "Being so close to campus, this one is a local favorite," Lee says. "They have



FROM LEFT: Long Wong's; Minder Binders; Coffee Cartel, Hummus nachos with pomegranate seeds from Salut Kitchen Bar.



inside is fun, but it will be the caffeine you'll appreciate to get you through all the Homecoming festivities. cartelcoffeelab.com

➤ A few blocks away find **Essence Bakery Café**. Chef Eugenia Theodosopoulos worked with a French chef to achieve perfect conditions for baking croissants in the Arizona heat. She's also famous for her macarons, so don't forget to pick up some goodies for the flight home. essencebakery.com

➤ Venture to the other side of campus to sample **D'lish** for breakfast or lunch. In addition to

➤ If you want another healthy option, especially if you are vegetarian or vegan, **Green New American Vegetarian** is a great place to go, says Betty Lee, a current student working on her B.S. in supply chain management and finance. "They serve mainly vegan options, and make vegan food taste great," Lee says. She recommends the vegan burgers and the Tsoynami, a soy-based ice cream. greenvegetarian.com



by Arizona Foothills Magazine, but don't let that stop you from trying this bike-friendly beer garden. The late night menu makes this a popular place to go after a night out, and the rotating selection of 48 beers keeps it interesting any time of the day. handlebaraz.com

fairly priced happy hours and delicious appetizers, like their chicken wings and chicken tenders. My personal favorite is their brunch menu, with a variety of breakfast foods and Mexican foods." fourpeaks.com

Research by **Daniel Silverman**
Professor of Economics

Using Big Data

To solve an economic mystery

In 10 years, when we look back on this second decade of the 2000s, we'll probably see Big Data as one of the most powerful drivers of discovery and innovation. Yet as it stands today, the promise of Big Data – in particular, its usefulness – remains uncertain.

That is what makes research by W. P. Carey School Economics Professor Daniel Silverman and four co-authors so exciting. The research, published in *Science* magazine in July, represents a new use of “naturally-occurring data,” that is, data gathered in real time from behavior in the real world rather than from a survey (which gathers data after the fact) or an experiment (which can be artificial).

The data Silverman and his co-authors use is from Check, a mobile bill pay and personal finance app. The data had been de-identified by Check before it was turned over to the researchers, and all Check app users whose data was utilized had granted permission first. “We never had access to data with personally identifiable information,” Silverman said.

As the authors describe the data set, “Check can link almost any financial account to the app, including bank accounts, credit cards, utility bills and more. The application logs into the Web portals for these accounts daily and obtains the user’s primary financial data. The data are organized so users can obtain a comprehensive view of their financial situation.”

In their first published research using this data, Silverman and his co-authors tackled a mysterious discrepancy between economic theory and what other researchers had perceived about people’s real-world behavior.



Do people consume more on payday than between paychecks?

According to economic theory, the answer to that question should be “no.” Silverman explains, “Most theories say you want to keep consumption of goods — coffee, or movies, or fast food or whatever — smooth, otherwise you’re missing out on opportunities to improve your welfare.” So, for example, rather than going to the movies several nights in a row at the beginning of the month when the bank account is flush, economic theory says to spread that spending out over the whole course of the month.

That seems perfectly sensible — over the course of two weeks or a month, the timing of a person’s consumption should be relatively independent of the timing of that person’s income. The problem, Silverman explains, is that researchers using other data sets have found that a person’s spending isn’t smooth across the time period; spending does spike significantly at the point that income comes in.

Some researchers have interpreted that finding to mean that some people are simply really bad at managing their money, so they tend only to have a latte or go to the movies near a payday. Other researchers suggest that the theory is bad — disconnected from what happens in the real world. “Or maybe,” Silverman suggests, “it’s the data.”

The power of “naturally-occurring data”

Data that are generated in the course of a person’s everyday behavior is particularly powerful because of its level of detail and its accuracy. Silverman explains, “With this data, we can see much better how much people are spending and on what. What’s so unprecedented is the ability to see accurately not only the amount being spent but also the income coming in, and to see them simultaneously. That level of granularity and timeliness is almost impossible to get from a survey.” Tapping into an application like Check that is already capturing the data, researchers can get much more data, much less expensively, which allows them to answer questions they couldn’t answer before.

Clarity: Spending vs. consumption

Using this better data, Silverman and his co-authors were able to see that spending does indeed spike upon the arrival of income that is well anticipated in both amount and in timing (such as a Social Security check or paycheck). “When you look at a person’s total spending — including rent or mortgage, childcare, auto payment, utilities, tuition, etc. combined with groceries, gas, entertainment, etc. — all together we see a 70 percent uptick in spending the day the income arrives.”

But — here’s what Silverman and his co-authors were able to discover from this new data — when you take out “regular” spending like rent or mortgage, childcare, auto payment, utilities, tuition, etc., then there is only a small uptick in spending at the time that the income comes in. Silverman explains, “When we take out the sizable spending that’s predictable both in the timing

and the amount and then examine the sensitivity of the remaining expenditures to the arrival of income, there’s a dramatically smaller response. It’s still there, but it’s a relatively small response.”

Silverman and his co-authors went one step further, separating types of consumption. Isolating spending on fast food and coffee shops — purchases that are consumed immediately (most people don’t drink half a latte and save the rest for next week) and imminently discretionary (no one “needs” a latte or a hamburger) — Silverman and his co-authors find that type of consumption

Economic theory says you shouldn’t drink all your lattes the day after payday and then none the rest of the week.

spending is smooth over time. It doesn’t spike at all in response to anticipated income.

“So this phenomenon that other researchers had perceived — which we were able to see in more detail — doesn’t look at odds with economic theory after all,” Silverman says.

The nuance is that “regular” spending on things that are paid once but consumed over the course of a week or a month might be timed to coincide with the receipt of income. You schedule your

mortgage payment to come out on or shortly after payday. It’s the same with other big, predictable expenditures that can most often be scheduled. That timing of regular spending is not counter to economic theory.

Economic theory talks not about “regular” spending but about true consumption — spending on things like coffee and fast food that are consumed immediately. Economic theory says you shouldn’t drink all your lattes the day after payday and then none the rest of the week. And Silverman’s findings demonstrate that people don’t in fact, do that — their behavior is consistent with economic theory.

Maybe it’s not you; maybe it’s the credit market

In addition to clarifying the mysterious discrepancy between what previous researchers had perceived about the timing of income and spending and what economic theory suggests, Silverman and his co-authors also find that when there are spikes even in “non-regular” spending (groceries, clothes, entertainment), the people who exhibit those spikes are liquidity constrained. They’re the ones truly living paycheck to paycheck.

But what is the cause of that liquidity constraint? “Is it a problem with credit markets or a problem with decision-making?” Silverman asks. “We can’t say for certain based on this research, but it is plausible that liquidity constraints are not caused by poor decision-making, but rather a problem of access to liquidity.” **continued on page 34**

Research by **Laura Lindsey**
Associate Professor of Finance

What I like about you:

How financial firms choose partners

If you flip to the business section of a newspaper on any given day, there's a good chance you'll see a headline about a strategic alliance, joint venture or other form of firm partnership. Maybe it's Apple teaming up with AT&T for launch of the iPhone, or perhaps PepsiCo has partnered with Starbucks to bottle and distribute packaged beverages. For financial companies, fostering such ties is particularly common, leading to the formation of elaborate co-investment networks that can affect a firm's access to capital.

While there's a wealth of literature on these business ties, most previous studies tend to describe characteristics of the parties involved or focus on outcomes. Researchers had not yet explored in a rigorous way the underlying motives that might lead organizations to choose particular partners.

That's the question W. P. Carey Finance Professor Laura Lindsey set out to answer. Along with co-authors Yael V. Hochberg (Rice University and the National Bureau of Economic Research) and Mark M. Westerfield (University of Washington), Lindsey co-authored a paper entitled "Resource Accumulation through Economic Ties: Evidence from Venture Capital," which is currently in the process of publication.

Lindsey and her co-authors say that they are the first — to the best of their knowledge — to formalize an empirical model for testing among economic theories of tie formation. As Lindsey notes, "Observing two large firms in a syndicate



doesn't necessarily mean that they selected one another based on size. One has to think through what patterns competing explanations may generate in the data."

The paper opens new avenues for researchers to explore, but it has implications for entrepreneurs, too. Lindsey says this research may provide entrepreneurs with a different way of viewing VC firms. "Our findings can potentially help entrepreneurs identify which attributes to consider when evaluating a VC firm and other potential members in a syndicate," she says.

Using venture capital to find a solution

When it came to investigating the roots of tie formation, Lindsey and her colleagues turned to venture capital firms to help find answers. Forming ties is of critical importance in the VC world. "We know from prior work that the networks formed from co-investment ties are an important predictor for VC success," Lindsey says. Further, the unique characteristics of VC firms made them the ideal subject for this kind of research.

"VCs are a nice environment to use as a laboratory," says Lindsey. "There is a lot of interaction between firms and there are lots of new ties. Other settings tend to have fixed constraints. For example, in the pharmaceutical industry, there may be exclusivity agreements that prevent multiple ties and the ability of a researcher to identify competing motives for collaboration. Instead, VC firms face only loose constraints. Plus, venture capital is interesting in its own right since the nature of the networks formed by co-investment ties could have important implications for entrepreneurial firms."

Lindsey has a wealth of experience when it comes to analyzing the world of venture capital. In 2008, she published both "Blurring Firm Boundaries: The Role of Venture Capital in Strategic Alliances" in the *Journal of Finance*, as well as "Building Relationships Early: Banks in Venture Capital" (co-written with Thomas Hellmann and Manju Puri) in the *Review of Financial Studies*.

For their research, Lindsey and her co-authors utilized more than 20 years of data from Thomson Reuters' VentureXpert database, which covers the universe of VC investments by firms that raise money from large institutional investors.

As a first step, Lindsey and her co-authors used a statistical technique called factor analysis to distill the differentiating characteristics of VC firms. The analysis pointed to four easily interpreted dimensions of variation. The first factor is experience, which measures both a firm's overall time in existence and in a particular industry sector. The second is capital, which captures both the amount of money invested and remaining to deploy. Investment scope is the third factor, which measures the diversity of a firm's investments across geography, industry and stage of development. Fourth is access, which takes into account aspects of a firm's networking, such as the number of companies in which a firm has recently invested and the proportion of other VCs with which it has worked.

Together, these underlying factors explain more than 95 percent of observable variation across VC firms. The fact that these four

factors are statistically independent of one another allowed Lindsey and her co-authors to easily separate them when it came time for their analysis.

Defying previous assumptions

When considering why organizations choose the partners that they do, one might expect similarity to play a significant role, as it often does in social settings. When ties are formed across economic networks, businesses might seek others that are similar in order to avoid potential conflicts. But as Lindsey and her co-authors point out, similarity is not driving VC partnerships, though it's easy to see why such thinking persisted.

"Looking at the syndicates formed by VCs, one could come to the conclusion that firms are seeking similarity based on the observation of similar partners," says Lindsey. "But, it is important to recognize

"Looking at the syndicates formed by VCs, one could come to the conclusion that firms are seeking similarity based on the observation of similar partners."

that each firm seeking the best-networked partner, for example, will lead to observing two highly-networked partners in a syndicate. A more subtle point is that a firm attempting to fill a shortcoming in one resource area by trading with another firm can lead to the observation of similarity in a third area."

The researchers developed an empirical model to disentangle seeking-similarity behavior versus behavior that seeks a highly or differently endowed partner. The model captures whether increasing the resources of the greater- or lesser-endowed partner of the pair results in more frequent ties and simultaneously allows for trading motives. Lindsey explains, "The intuition behind our approach is that both seeking

similarity and seeking the most of a particular resource will result in observing ties between firms that have a generous endowment of a particular resource factor. So, we focus on the relative incidence of ties that involve firms with less of the particular resource in question. If we observe these firms tying with one another, similarity is likely at play. If instead we observe more ties between differently-endowed pairs for a particular factor, resource accumulation is the more likely explanation."

A surprising finding of their work is that, while resource trading appears to be a motive for tie formation, the value-added resources of experience, access and scope do not trade with one another; rather, they trade only with capital. This suggests that capital can exist outside of a firm and still be exploited **continued on page 34**

Research by **Bin Gu**

Associate Professor of Information Systems

More than marketing:

Social media transforms R&D, knowledge management, decision-making and more

If your company has a social media manager, chances are, that person reports into the marketing department. Given that the Pew Research Center found 72 percent of online adults are active on some form of social networking site, marketing is an appropriate home for a company's social media initiatives.

But, it's not necessarily the only department that should be using social media, according to Bin Gu, a professor of information systems at the W. P. Carey School of Business.

A large portion of Gu's research centers on social media, and his investigations lead him to call this phenomenon a "disruptive innovation" because it breaks barriers both within firms and between firms and customers. Among other changes, he notes that now "customers and the general public have become part of the production function" for firms. Businesses will see social media as more than a way to get things sold. It's also a way to get things done, he says.

R&D: Tapping into the wisdom of the world

Innovation is on Gu's list of great things firms are doing with social media, and he's recently turned his investigative eye toward the world of crowdsourcing. Unlike outsourcing, where firms turn a function over to another company to manage, crowdsourcing is the act of posting a problem or question on the Internet and letting the masses online find an answer.

The process lets firms "tap into the wisdom of external people," Gu notes. "The firm is not limited to the knowledge of



internal R&D staff." It minimizes risk, too, he adds, because "there is no failure cost," he says. "People don't get paid unless they have a solution that is acceptable to the posting firm."

At the center of Gu's recent research is Kaggle.com, a crowdsourcing site that challenges IT experts around the world to vie for the best predictive analytics solution to big, knotty questions. Among the big-name users of the site you'll find NASA, which used Kaggle to improve the accuracy of imaging dark matter. Allstate Insurance turned to this resource to reduce customer churn and improve estimates on claims costs. Ford sought early detection of driver drowsiness. And, an unnamed, \$100-plus billion oil and gas company tapped the Kaggle community to better predict oil reserves.

What makes research teams successful on Kaggle? Gu crunched some data himself to find out. Specifically, he examined the win ratio of competing teams, as well as the characteristics of the team members and their communication exchanges. "There are two general types of capabilities involved," Gu explains. "One is technical capability, or how well people know data mining. The other is social capability."

Gu examined the interaction of the two to determine the combination of capabilities likely to be most successful in tackling a contest. "What we found in the teams that were most successful is that the team leaders have high social capabilities and others on the team have high technical capabilities," he says. "The leader needs social capabilities to coordinate and solicit knowledge out of highly technical team members."

This finding indicates firms might want to look for similar team dynamics, he adds. "When crowdsourcing within a firm, you must match people with good social capabilities and good technical capabilities. In a competitive environment, this becomes even more crucial."

Knowledge management: Breaking the internal barriers

Group dynamics also come into play when using social media for company knowledge sharing, according to research conducted by Gu. He teamed with two other scholars to explore what made enterprise social networks useful – or not useful – for a large oil and gas firm with some 200 communities sharing information online. Gu says this firm has invested heavily in knowledge sharing. It has staff devoted to the process, as well as a manager for each of the 200 communities in the enterprise social network. "Knowledge sharing really means money to them. It can cost millions of dollars for each hour an oil rig has to stop drilling because of a technical problem," he says.

So, Gu and his colleagues tried to understand what factors encourage knowledge sharing, and he found two of extreme importance. "One we called internal cohesion," he says. "It means everyone participates in the online communities." Not surprisingly, if only a few people participate, the community can't flourish, a circumstance Gu found in around 15 percent of the communities studied.

What did surprise the researchers was the second factor needed for meaningful knowledge sharing: "external participation," or members who participate in external communities. External

participation may take away a member's time in a focal community, but they could bring in new knowledge. Gu found that for the most successful problem solving, groups need both cohesion and a fair share of multi-group teammates. "If you don't have external participation, you won't have new knowledge coming in," Gu says.

Decision-making: The increasing influence of customers

Problem-solving isn't the only area where social media participants take on important roles in an organization's operations. As noted earlier, Gu sees customers now becoming an integral part of the production function itself.

This production concept can be applied beyond the company producing a product or service for sale. Gu likens the business of politics to a manufacturing operation, where the politician's policymaking activity, such as voting in Congress, constitutes firm output, and constituents buy the politician's product with votes of their own. Since social media breaks the barriers between

businesses and customers, Gu wondered if politicians' participation in social media changes the way congressional members vote on legislation.

He discovered that it does, after doing a careful analysis of congressional members' voting records before and after they started tweeting. "Generally, congressional members became more conservative" in their voting after the Twitter

“Social media now penetrates throughout firm operations, it's a more disruptive force than many realize.”

interaction began, Gu found. That was an across-the-board impact.

"What was really interesting is that the shift can be almost entirely explained by members of congress changing their votes to be closer to the position of voters if there was a mismatch," he adds. "Before engaging constituents through Twitter, there were often gaps between political leanings of constituents and the congressional members' votes. After the social media engagement, we see the congressional representative comes closer to the voters' positions."

Validating buzz about buzz: Coming back to marketing

Gu also has looked at social media from a marketing perspective, and he's uncovered findings marketers should note. For instance, one of his studies, with W. P. Carey information systems professor Ben Shao and doctoral student, Chunxiao Li, showed there's good reason for understanding the difference between firm-generated buzz and consumer-generated buzz.

"Social media performs two functions. One is information dissemination and the other is socializing," he says. "Different social media sites serve different purposes. Twitter is better for information dissemination and Facebook is better for **continued on page 34**



The Nobel Memorial Prize in Economics 10 years later

Still tackling the tough problems

Ten years ago on December 8 at Stockholm University in Sweden, Regents' Professor of Economics Edward Prescott took the stage to describe the transformation of macroeconomic policy and research for which he and Finn Kydland had recently been awarded the Nobel Memorial Prize in Economic Sciences.

"I emphasize that what is important is the methodology," Prescott said in that prize lecture, referring to the methods he and Kydland had developed 24 years earlier and first published in 1982 in the article "Time to Build and Aggregate Fluctuations." "Using these methods, the (economics) profession has learned so much. No longer do economists conjecture and speculate."

The eight-step methodology bridged what before had been a gap between theories about growth and theories about business cycles. In his Nobel Memorial Prize Lecture, Prescott explained, "Kydland and I decided to use the neoclassical growth model to study business cycle fluctuations in the summer of 1980. The basic theoretical framework we developed came to be called the real business cycle model."

Today, Prescott reiterates the power of that methodology. "Economics became a hard science with this methodology. It has been used to study not only business cycles, but also environmental economics, development, international economics, public finance and finance – all work going on at Arizona State University." Prescott describes the methodology as a unified theory. "The

same theory is used to explore all of these macroeconomic issues. Given the question, we use the theory to construct a model that addresses the question."

The impact of policy on economic growth

One of the areas in which Prescott has been most active is the study of business cycles. "We've known for a long time that these so-called business cycles are not really cycles. Economic ups and downs are caused by policy regime changes," Prescott explains. "If the policy changes are positive, then the economy experiences an upward bounce; if they're negative, then the economy slumps."

After the initial bounce or slump, the economy converges to a new higher – or new lower – growth path. So while the rate of per capita GDP growth has been mostly positive since mid-2009, the Great Recession put the U.S. economy on a lower growth path. For example, Prescott says that the GDP level has been more than 10 percent lower than it would have been, had the recession not happened. "Relative to the pre-recession trend," he says, "the U.S. economy remains depressed."

Economists' understanding of how policy affects the economy has progressed significantly since Prescott and Kydland's 1982 paper. "We can now say what will happen in the future given a particular policy regime will be followed in the future," Prescott says.

But economic predictions are just one input into the policymaking



FROM LEFT: Prescott lectures internationally about his work; the Nobel ceremony in Stockholm; Nobel Laureate Edward Prescott, right, and wife Janet pose with Queen Silvia of Sweden and King Carl XVI Gustaf.

(Read about the day the Nobel Memorial Prize was announced on page 48.)

process. “Instead of starting with the question and seeing what economics says about the answer, policymakers tend to start with the answer and then look for ways to justify it,” Prescott says. “But policymakers shouldn’t be experimenting with national economies.”

In the course of his work over the last decade, a consistent picture has emerged, Prescott says: “It is total factor productivity that is the most important.” Total factor productivity change is the portion of output not explained by changes in the amount of inputs used in production. It includes what Prescott calls intangible capital, including know-how.

In his lecture, Prescott explained, “Conditional on a labor supply elasticity close to three, TFP shocks are the major contributor to fluctuations.” A labor elasticity close to three means that workers’ decisions about how to allocate their time between work and leisure are highly responsive to changes in after-tax wage rates, which are directly impacted by changes in tax rates.

That finding has proved useful for Prescott in other work, including his research into why productivity is lower in countries with higher tax rates. “We’ve explored the question, ‘Why are some countries more productive than others?’ The answer is related to the nature of the countries’ economic institutions — the rules of the game.” For example, in countries where marginal tax rates are relatively high, Prescott found, people choose to work less than in countries where tax rates are relatively lower.

In light of an understanding about how total factor productivity affects the economy, and the factors that affect TFP, Prescott says policymakers need to think more long term and consider fundamental

reforms such as setting up a good tax system and a good financial system — good rules for the game. “Not ‘How should we react to one particular situation or another?’ Instead, set up good rules for the game, follow the rules and enjoy the benefits,” he says.

If American policymakers made relatively modest changes to economic institutions, Prescott says, the United States could be 33 percent richer. “It would take a while to converge up to that higher level of GDP, but we could achieve that if policymakers instituted reforms like mandatory retirement saving and got rid of the corporate income tax.”

Center for the Advanced Study in Economic Efficiency

Describing the research work he and his colleagues have done over the last decade, Prescott makes clear the point that economists know so much more now than they did 10 years ago. But, he adds, “You have to be participating to know what’s going on, what the open problems are.” That is, in part, the founding concept of the Center for the Advanced Study in Economic Efficiency at the W. P. Carey School of Business.

The mission of the center is to advance economics so it can better address how to achieve greater economic efficiency. “One part of the mission is the development of economic theory so that issues of efficiency can be addressed in broader contexts. A second part of the mission is to apply economic theory to issues of public concern through the integration of theoretical and factual studies. The third part of the mission is to diffuse this knowledge globally.”

A lot of progress has been made, Prescott says, “But there are so many interesting problems sitting out there. There is no shortage of work to be done.” Through the center he wants to get students working on those open problems. “Getting students working on these problems is the real value of the Center for the Advanced Study in Economic Efficiency,” Prescott says.

And, it is the legacy of the recipient of the 2004 Nobel Memorial Prize in Economic Sciences. ■

“Economics became a hard science with this methodology. It has been used to study not only business cycles, but also environmental economics, development, international economics, public finance and finance — all work going on at Arizona State University.”

Using Big Data (continued from page 26)

That, in fact, is one of the broader implications of this research. “Our findings should turn the emphasis of research and policy more toward imperfections in markets and less on imperfections in decision-making,” Silverman explains. “Our findings suggest that what other researchers might have perceived as really important problems with budgeting and financial management may not be. Where we see deviations from what economic theory expects it is due to insufficient liquidity and perhaps a problem not of the individual’s doing but of the credit market. “Our findings give us more confidence that people are actually pretty good at managing their money. They’re not behaving

in ways that run counter to economic theory, after all.”

More exciting research to come

Silverman is excited about the research he can do with this new data. First, he says, he’s going to examine with great accuracy how well people manage credit cards and how consequential mismanagement can be. He’s also planning to do some forensic economics. “We’ll look at a cross section of people who had real financial problems and then look into the past to see if there are certain common decisions that led to those problems. That could allow an application like Check to help people preempt financial mistakes.”

On the topic of Big Data, Silverman says,

“It’s an open question how useful these data are, and for whom. What we’ve done with this paper is show that you can take raw Big Data and use it to conduct productive research.”

Based on the article “Harnessing Naturally Occurring Data to Measure the Response of Spending to Income,” by Michael Gelman, University of Michigan, Shachar Kariv, University of California, Berkeley, Matthew D. Shapiro, University of Michigan and the National Bureau of Economic Research, Dan Silverman, Arizona State University and the National Bureau of Economic Research and Steven Tadelis, University of California, Berkeley and the National Bureau of Economic Research. Published in Science, July 11, 2014.

What I like about you (continued from page 28)

effectively. They also find that firms seek the best available partner in terms of access and investment scope. The fact that similarity does not appear to be a driving force across any of the resource dimensions of VC firms implies that the traditional explanations for seeking similarity in organizational ties do not apply in the VC setting.

The paper raises new questions for researchers to explore. For instance, whether or not the patterns they identify prevail in other economic networks is an open question, especially in networks where interaction between parties is less frequent. The research methods can also be used to investigate ties in social, rather than economic, networks.

Based on a working paper entitled “Resource Accumulation Through Economic Ties: Evidence from Venture Capital” by Yael V. Hochberg, Massachusetts Institute of Technology and the National Bureau of Economic Research, Laura A. Lindsey, Arizona State University and Mark M. Westerfield, University of Washington.

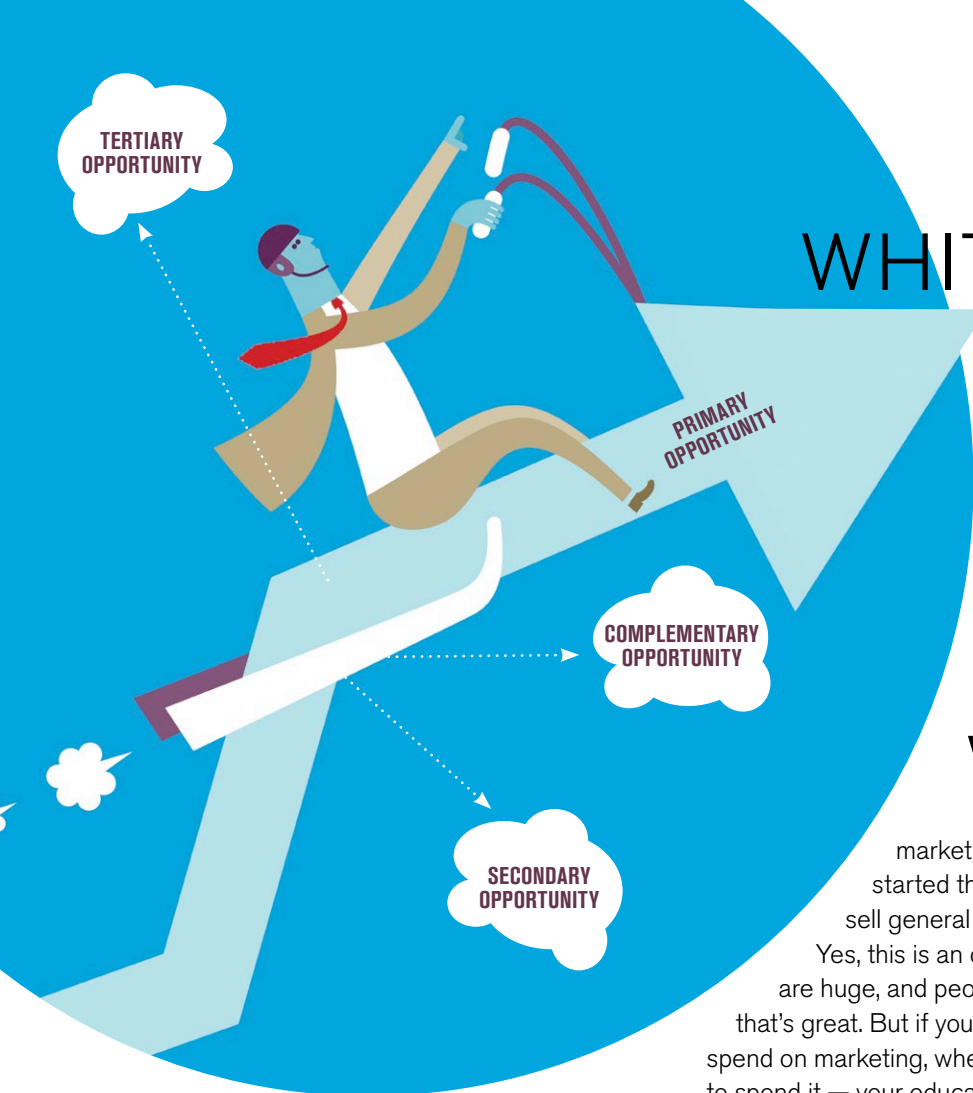
More than marketing (continued from page 30)

socializing.” Therefore, marketers need to use different social media strategies for different social media sites. To reach this conclusion, Gu analyzed sales generated by social media sites as reported by several hundred companies. He found that firm-generated tweets drove product sales, but firm-generated Facebook postings had no effect on sales whatsoever. Only consumer-to-consumer interactions on Facebook have an effect on sales. The message is that consumer-to-consumer interaction is the rule of the game for socializing on social media sites. “You can’t just say your product is good. You have to get consumers to tell their friends

your product is good,” he says. On the flip side, a look at purchase history can outweigh praise, or at least it did when Gu looked at software downloads. “Regardless of what people said about quality, people stuck with the popular product,” he says. “They herd together.” Consumer-to-consumer buzz works in many nuanced ways. In other research, Gu found that positive buzz improved the sales of popular products more than they helped the sales of niche products, while negative reviews hurt niche products more than the popular ones. The take away is that positive buzz becomes all the more crucial for niche-product sellers,

who often rely on the Internet’s expansive distribution channels to achieve sales success. Here too, the consumer voice impacts firm effort and activity. “Social media now penetrates throughout firm operations,” Gu says. “It’s a more disruptive force than many realize.”

Based on a working paper entitled “Virtual Team Performance in Crowdsourcing Contests: A Social Network Perspective,” by Indika Dissanayake and Jie Zhang of the University of Texas and Bin Gu, Arizona State University.



How to say **no** to an opportunity

We began in the education market, but inevitably we started thinking, 'Why not sell general e-books as well?'

Yes, this is an opportunity. E-books are huge, and people like e-books — that's great. But if you've got a dollar to spend on marketing, where are you going to spend it — your education focus or your general e-book focus?

No one was in our face saying, 'This is something you really need to do.' This was an internal struggle in terms of direction. I realized that it could fracture the team, and that could be really destructive, beyond just making a bad business decision.

This is the one thing I look at when presented with opportunities: does this further my primary goal or purpose? I have a track that I know I'm on: does doing this allow me to get farther in my primary track?

Some opportunities are worth exploring, because they'll provide you with new contacts, experiences, knowledge, business models. It's OK to explore new opportunities as long as they are furthering your primary goal.

General e-books felt like a complementary opportunity, but really it was a secondary opportunity — different customers, different market and different dynamics. Going that direction meant we'd veer off the direction of our primary goal, where we've invested time and money, where we know there is a huge opportunity and we know we can exploit it.

Since saying no, we've grown from about 10 universities to more than 50 universities

in less than six months. The team expanded from seven to nine people. At the time we already had a few distribution partners, and since then we've doubled or tripled that number. Had we gone down the other path, we wouldn't be seeing this level of growth.

If we achieve scale in the education market, are general e-books a bad extension? Probably not. It's OK to hold off on an opportunity, keeping in mind that it's out there. The opportunities you pass on may not always be bad opportunities; they're just bad opportunities at that time.

Dos and don'ts:

- **Don't** say no to all opportunities. Say no to the ones that take you away from your primary goal.
- **Do** your research and ask good questions of experts you trust. Some things might feel like good ideas, but the more you dig, the more you find out they're not.
- **Do** be honest with yourself. New opportunities are sexy, but the really sexy thing is fully executing on an idea.
- **Do** lose your ego. Egos get in the way. You'll gain more respect, you'll get further, by sacrificing your ego for the right decision than for trying to hold on to some essence of 'I want to be the one with the right answer.'

Reach Tim Haitaian at tim@redshelf.com

Tim Haitaian (B.S. Finance, Accountancy '10) is co-founder of RedShelf, which licenses content from educational publishers and higher education sources to provide university students with e-textbooks. Like every entrepreneur, he's spotted tempting opportunities, but he hasn't always taken them. Here's Tim explaining why it's so important to know how and when to say no.



It's all relative: Starting a business with family

When analyzing the best practices for establishing a business, whether it's a technology startup, marketing firm or wealth management group, it's always a polarizing debate when discussing the benefits and drawbacks of founding a company with family members. Business and management decisions can be tough, and family life is often separated from the professional world because it's emotional and biased. But what is the best practice for starting a business? Should family be left out?

Lone founder

"Businesses and families don't usually mix very well," says Bob La Loggia, CEO of Appointment-Plus. La Loggia represents a large number of businessmen and businesswomen who shy away from starting companies with their families, because he understands the complex and nuanced balancing act it is to work with family.

When La Loggia founded Appointment-Plus, his wife, Stephanie, was heavily involved with the operations and executive decisions. As the business evolved, La Loggia and his wife couldn't separate their

professional life from their personal one. They found themselves talking about work at the dinner table, eventually instituting a policy banning work discussions at home. When this home policy didn't suffice, they decided it was best to have Stephanie work outside the business.

La Loggia has learned from his previous experiences, and he will never work with his family at the founding level again, but he's happy to work with his family in a different role. Currently, his older brother and younger sister are employees at Appointment-Plus, but they have separate managers.

All in the family

On the other hand, founding a business with a family member can contribute to success. For Harvey Jabara (B.S. Accountancy '88), managing member of Olive Management, LLC and a member of the San Diego Padres' ownership team, the opportunity to work with his father, Fran Jabara — a former professor at Wichita State University and one of Wichita's best-known businessmen — has been the fulfillment of a dream he had since he was a child.

"In a family business situation, chemistry can't be forced," says Jabara. "It has to be natural. It has to be something that all family members want to pursue."

Despite Jabara's genuine desire to work with his family, his father

All 'family' businesses are not alike

Albert Cannella Jr.
W. P. Carey Chair and Professor of Management

IT is widely stated that family businesses are the dominant organizational form around the world. However, the concept of 'family' doesn't fit all the companies that are frequently classified as family companies. Isabelle Le Breton-Miller, on the faculty at HEC Montréal, was the first to suggest that some so-called 'family' companies are controlled by founders who specifically avoid employing other family members in the business and behave in other ways that challenge the 'family' label.

Building on these ideas, we undertook a study of the interconnections between publicly traded companies, comparing regular-public companies (those with no controlling owners) to family companies (those involving more than one family member) and to lone-founder companies (those controlled by a single individual, usually the founder). Social identity theory predicts that the identities of the two types of companies will differ sharply, with family companies taking on familial identities (nurturing, risk-averse, desire to pass the company on to the next generation) and with lone-founder companies taking on individualistic identities (concern for independence, achievement-oriented, risk-seeking). Further, the different identities should be reflected in the linkages the companies form with others because entities (people, companies) tend to affiliate with others that they perceive to be similar to themselves.

To test these ideas, we studied the linkages represented by boards of directors. We found that family companies were more likely to interlock with other family companies, select directors with more experience in family companies and keep directors on their boards longer.

Conversely, family companies were less likely to interlock with lone-founder companies or select directors with experience in lone-founder companies. Lone-founder companies followed a parallel pattern.

The important takeaway from this study is that because the identities of these two kinds of companies differ sharply they are likely to act differently across a variety of contexts, like risk-taking, innovation, attitudes toward employees and so forth. Also, before describing family companies as the dominant organizational form on the planet, we should be clear about what we mean by 'family company,' as many such companies are not accurately characterized by the 'family' label.

"Family- versus lone-founder-controlled public corporations: Social identity theory and boards of directors" is forthcoming in the Academy of Management Journal in 2014. Cannella's co-authors are Carla D. Jones, University of Houston, and Michael Withers, Texas A&M University. Jones and Withers are alumni of the doctoral program at the W. P. Carey School of Business.

wanted his son to work for someone else first. According to Jabara, it's important for the younger generation of family-owned businesses to learn a work ethic and an understanding of business outside of the family realm. The timing has to be right for family members to join the business, and sometimes that means working for someone else first.

Unlike Jabara, Scott McIntosh, founder of MAC6, never gave much thought to a business relationship with his family, but he currently works with his daughter and even founded a business with his son. And while he is aware of the many pitfalls that arise in a business setting involving family, McIntosh believes that it's easy to fix any of the anticipated family business problems by developing a professional relationship that echoes the personal.

"Having a family member with a trusting relationship can be a very valuable asset in business," he said. "The downside is that there is stress on the relationship, and through openness and transparency, we can deal with these issues."

In the end, McIntosh, Jabara and La Loggia might not entirely agree on whether it's a better practice to have a business founded by a family, but they are in agreement that businesses should be founded on committed and loyal relationships where roles are clearly defined. For Jabara, that role was defined on the first day he came to work with his father: it was evident that he would not be working *for* his father — they were partners. "When there is a family connection, everyone is in for the long term, and creating value for the company is the only motivation," says Jabara. "Therefore, when everyone is on the same page as a family, you know the goal is to continue the company in perpetuity for multiple generations."



CTS25

the annual gathering of the most **innovative minds** in business and engaging academic **thought leaders** to further the **science of service**

Don't miss this once yearly event!

November 5 - 7, 2014 • Hilton Scottsdale Resort & Villas • Scottsdale, Arizona

compete

where do you **discover** breakthrough service methodologies?

through

how can you better leverage **revenue enhancing service** models?

service

who **speaks for the customer** on your executive team?

Truly world class organizations leverage service for competitive advantage; the Compete Through Service (CTS) Symposium is where they learn how. New service methodologies are discussed at CTS, and participants have the advantage of bringing these discoveries to their organizations **FIRST**. Register today, and put your organization in the vanguard.

The 25th Annual Compete Through Service Symposium will feature thought-provoking insights from:

Amazon.com • The Arizona Diamondbacks • Banner Health • The Center for Services Leadership • Great Clips, Inc. • HEASLEY&PARTNERS, Inc. • The INSIGHT Group • Salesforce.com • Service 360 Partners • The Service Profit Chain Institute • Siemens • Bruce Temkin, Temkin Group • Vocera Communications • W. P. Carey School of Business
• See wpcarey.asu.edu/cts for complete, current list.

Exclusive offer for WPC alumni, use code "WPCALUMNI" to SAVE 15%

For more information and to register, visit wpcarey.asu.edu/cts

**CENTER for SERVICES
LEADERSHIP**

ASU W. P. CAREY
SCHOOL of BUSINESS
ARIZONA STATE UNIVERSITY

Chairman Sponsors



Honeywell

SIEMENS

StateFarm

An Independent Licensee of the Blue Cross and Blue Shield Association



**PARENTS, FRIENDS AND FAMILY
CELEBRATE OUTSTANDING SENIORS**

for parents:

The art of letting go

Delivering a student to college often sends parents into overload. Hauling trunks and mini fridges into dorms is the prelude to something more profound: realizing that your child is an individual who is rapidly becoming an adult.

Gary Rischitelli of Portland, Oregon, wondered how he would stay in touch with his daughter Anna after she started freshman year at the W. P. Carey School of Business in 2012.

“When I was in college, to talk to your parents you’d wait for the one pay phone at the end of the hall,” he recalls. “If you didn’t have change, you had to call collect. But we were three blocks from campus when Anna called us. With cellphones, and texts and email, there are so many ways to stay in touch.”

But if technology has smoothed some transitions, the fundamental challenge of adjusting to new roles remains the same. For parents, this often means mastering the art of letting go.

“You become less of a parent and more of a friend or coach,” says **Scott Houts**, who will have two daughters attending the W. P. Carey School in

the fall semester. Maddie is a junior and Hannah, a freshman.

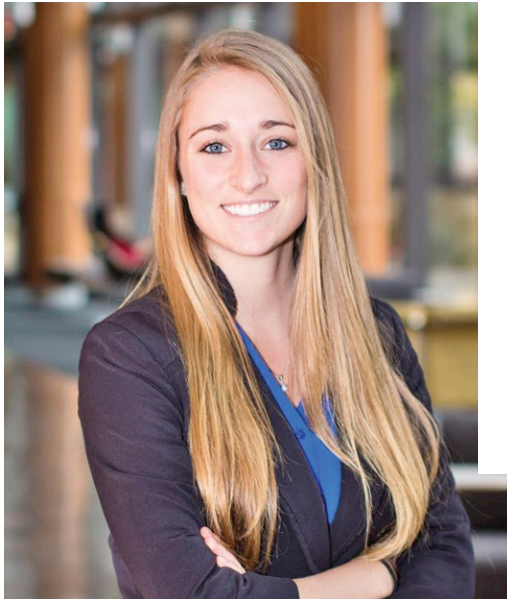
Houts said he recognizes that he no longer can control how late his children stay out or anything else they do at college. But before Maddie left home, he did extract one pledge. “I made her promise to try her very best every day to eat breakfast.”

Rischitelli and his wife Debbie stress the importance of gradually giving children independence when they are in high school. Their son, Noah, will be a freshman this year at the W. P. Carey School, joining Anna on campus.

“The process of parenting college students starts long before they go to college,” Gary says.

Kay Wieser (B.A. Elementary Education '80, MED '04) and her husband Michael have six children, all of whom went to college or are attending now. Her son John graduated from the W. P. Carey School in 2012. She said children naturally want their independence.

“We do the best we can to set them up for success,” Wieser says. “Then we get out of the way.” ~ *Robert Preer*



KATE ARMSTRONG (left) and **DAVID CHOI** (above)

Outstanding Seniors

AT GRADUATION, the W. P. Carey School of Business lifts up a student who has excelled not only in academics, but also in service and leadership. Departments and individual professors nominate students for the coveted Turken Family Outstanding Graduating Senior Award. The Turken Family Outstanding Graduating Senior Award includes a \$1,500 cash prize and the opportunity to address the graduating class at the W. P. Carey Convocation ceremony.

At the December 2013 ceremony, **Kate Armstrong** was so honored. She graduated with a 4.0 GBA, earning concurrent degrees in accountancy and supply chain management from W. P. Carey and Barrett, the Honors College. This fall she started the Master of Accountancy program at W. P. Carey.

For her honor's thesis, Armstrong worked with Clinical Assistant Professor **Steven Orpurt** and Associate Professor **Steve Hillegeist** to explore how security analysts based in Australia use direct method statement of cash flow information. Her project contributed to a larger report that Orpurt presented to IASB (International Accounting Standards Board) board members and staff in London this spring. The Phoenix office of KPMG, where Armstrong interned,

sponsored her trip to London for the presentation.

Outside of class, Armstrong excelled as a leader in the Canon Leadership Program and several other student groups. She participated in the Barrett Mentoring Program and was a welcome coordinator in the Welcome Leader Program. She also volunteered with the Tempe Tax Project and the Boys & Girls Clubs of America.

In May, the Turken Family Outstanding Graduating Senior was **David Choi**. David was a McCord Scholar, a JPMorgan Chase Scholar, an Edward Rondthaler Scholar and a National Merit Scholar, among other accolades.

Choi took a class taught by Nobel Prize winner Ed Prescott, who said of the senior, "Students of his quality are rare. I would love to have him in our Ph.D. program."

Choi's resume includes completing an internship with Boeing, co-founding a startup featured in USA Today, being selected by the U.S. government to study game theory in South Korea and volunteering with St. Vincent de Paul Food Bank and United Blood Services. He graduated with Bachelor of Science degrees in Economics and Supply Chain Management, plus a mathematics degree from the College of Liberal Arts and Sciences.

This fall he is pursuing a master's degree in management science and engineering at Stanford University, with the ultimate goal of eventually becoming a business school professor.

LIFE-CHANGING:

Hispanic Business Students Association celebrates 40 years

FOR 40 YEARS, the Hispanic Business Students Association has been mentoring students and sending them off to become leaders in their careers and communities.

Recent graduate **Rosaura Alvarez** (B.S. Computer Information Systems and Management Entrepreneurship '14) is typical of the hundreds of HBSA alumni who are making successful lives. After graduating in May, she started her career at PwC. Joining the HBSA was a life-changing experience, she said.

"I probably wouldn't be where I am today without the HBSA — it served as a family for me," she said. "I was surrounded by hardworking individuals who motivated me to pursue my goals and served as wonderful role models."

Originally from Mexico, Alvarez honed her skills by serving as HBSA president — an opportunity she values. "I'm thankful for the leadership opportunities I obtained through HBSA."

The student-led association strives to provide its members with educational and career opportunities and connects them with leaders in the business community. Members also learn useful resume writing tips and skills for job interviews.

"HBSA's major goals and functions are to provide students with venues to meet, network, enhance their leadership skills and provide community service," said **Louis Olivas**, professor emeritus in the W. P. Carey School of Business.

Olivas became the association's academic advisor in 1979 and he held that role for more than 30 years.

"A distinguishing feature about HBSA is serving as an extended family and nurturing students as they progress toward their degree completion and staying connected and involved," he said.

Today the association has about 75 members and has mentored hundreds of students in its history.



lifelong learning to propel your career

W. P. Carey Executive Education is your partner in business. From leadership development workshops and professional certificates, to small business academies and custom corporate programs, our product portfolio is as dynamic as today's business environment.

LEADERSHIP DEVELOPMENT WORKSHOPS

Practical, actionable business education that enables and empowers individuals and organizations to address challenges and create solutions with impact.

OCTOBER 17, 2014

Focus on Millennials: Leading Across Generations

Discover real-world insights and practical research for managing younger employees entering the workforce, those looking to retire, and everyone in between.

NOVEMBER 14, 2014

Leading Upward: Mobilizing Your Performance and Career

Explore ways to manage impressions up the ladder, so you know exactly what your leader expects of you, and learn strategies to more easily and successfully communicate and interact with your leader.

FEBRUARY 6, 2015

The Confident Presenter: Creating Wins through Presentations

Unlock the elements of presenting that make the difference between winning and losing your audience, from setting the appropriate tone and context to honing your delivery.

MARCH 6, 2015

Financial Literacy: Finance and Accounting for Non-Financial Leaders

Learn the keys to understanding financial statements and the meaning behind the numbers. Gain confidence to communicate clearly with financial managers and accountants in your company.

APRIL 17, 2015

Cross Cultural Dynamics: Leading through Diversity

Discover the dynamics, opportunities, and challenges in cross-cultural situations, and identify strategies to successfully lead multi-cultural teams.

READY NEXT LEADERSHIP PROGRAM

Broaden your knowledge, strengthening your perspectives, and take your leadership to the next level — prepare for what comes next in business. You'll learn to accelerate your management capabilities and move organizations forward.

learn more:

wpcarey.asu.edu/execed

ASU[®] W. P. CAREY
SCHOOL of BUSINESS
ARIZONA STATE UNIVERSITY

executive
education

Ready Next Fall 2014 program
begins OCTOBER 2014

Ready Next Spring 2015 program
begins FEBRUARY 2015

*All ASU School of Business alumni
receive 10% off workshop costs.

CLASS NOTES



Photo finish

When **King Lawrence** turned down an appointment to the United States Naval Academy and moved to Tempe to pursue a degree from the W. P. Carey School of Business, he had no idea that his trajectory had him heading toward the arts.

“When I graduated from (W. P. Carey), I had no idea that photography could be a career,” says King. “I assumed I was going into the bar and restaurant business.”

Food is in the family, after all. In 1931, King’s grandfather opened a restaurant called Bryce’s Cafeteria in Texarkana, Texas, and his father and uncle still run it today. At the start, King was following in their footsteps, but as it turned out he took a different route. He decided to focus on photography, and is now a name in the field. He has entered the ring with Mike Tyson and ventured into the desert with the NFL’s Jared Allen for photo shoots and has received critical acclaim for his fine art projects.

King’s journey to photography began, as unlikely a way as it sounds,

when he opened a high-end lounge called SIX in Scottsdale with five others. The business plan for SIX was his capstone project for a W. P. Carey entrepreneurship class. By graduation day he had already invested the money and rented the space.

The bar was a success and stayed open for nine years, but with the birth of his first daughter, King grew frustrated with a lifestyle built around managing a bar. After some introspection, he decided that the bar business wasn’t for him, and that he needed to explore photography. Leveraging his business degree and the contacts he made running SIX, he turned photography into a flourishing business.

King views his education and his W. P. Carey connections as essential to the development of his career.

“Taking pictures is a small part of what I have to do to be successful,” says King. “You have to treat it like a business ... You’ve got to create marketing strategies and execute on them. Even though it’s creative and an art, it’s still business, and you’ve got to treat it like one.”

W. P. Carey is the sum of your stories

1960s

Seth Franzman, MBA '65, was the commencement speaker for Otero Junior College's 72nd Commencement. He and his wife are retired in Phoenix, Ariz.

Iyad Madani, B.S. Management '69, is the new head of the Organisation of Islamic Cooperation in Saudi Arabia.

1970s

Jim Jochim, MBA '71, is treasurer at Protecting Arizona Resources and Children in Phoenix, Ariz.

1980s

Robert Alter, B.S. Accounting '81, has been named the senior vice president of Jones Lang LaSalle in Tampa, Fla.

Jeffrey A. Meyer, B.S. Real Estate and Business '83, is the owner of Desert Care Landscape Resources LLC in Phoenix, Ariz.

Anton Nikodemus, B.S. Management '87, is the COO of MGM Resorts International in Las Vegas, Nev.

Charles Wilhoite, B.S. Finance '87, has been named to the 12th District Economic Advisory Council of the Federal Reserve Bank of San Francisco for a three-year term. Wilhoite is managing director of the financial consulting firm Willamette Management Associates in Portland, Ore.

Henry Batten, B.S. Accounting '88, is the president and CEO of Concrete Supply Co. in Charlotte, N.C.

1990s

Herman Gonzalez Jr., B.S. Management '90, has been named the vice president of administrative services at Paradise Valley Community College, Phoenix, Ariz.

Christopher Bissonette, B.S. Management '93, is a branch manager and managing partner at Summit Wealth Management in Orange County, Calif.

Greg Robinson, B.S. Economics '93, has been named the general partner of 4490 Ventures, a new venture capital fund in Wisconsin focused on information technology startups. Robinson was previously one of two partners at Peninsula Ventures, an early-stage VC firm in Redwood City, Calif.



LILY ANNETTE JANDA born October 5, 2013 to Brianna Janda (B.S. Supply Chain Management '06, MBA '12) and Dale Janda (B.S. Communications '10)



LIZ CADDOW:

It was the basket cheered 'round the world

In the final moments of the CIF-Southern Section Division VI championship game between the Trinity Classical Academy Knights from Santa Clarita, California, and the Desert Chapel High School Eagles from Palm Springs, the competing high school teams came together to be sure that a particular player

made his first basket of the season.

The Knights were ahead 20 points when Beau Howell, a student with autism who serves mainly as the team's manager, entered the game. The Eagles soon realized that Trinity was giving Beau his chance to score, so they made sure he had plenty of openings. In the last seconds of the game Beau made his basket as the crowd cheered.

The YouTube video received hundreds of thousands of hits, and was featured in national newscasts. Liz Dickey Caddow (B.S. Marketing '97), founder and principal of Trinity Classical Academy, called it "a simple act of goodness."

You could say that this example of sportsmanship is emblematic of what Caddow hoped to achieve when she founded Trinity.

As a child, Caddow imagined herself as a teacher and principal. But, "when I got to ASU, I discovered the business school was one of the best in the country, and I liked it, so that's what I studied," she recalls.

After graduation, she went into business, but she could never forget her childhood dream. She got a master's degree in education and taught in the public schools, and in 2001, with her husband, Wally, she started a school of her own – Trinity Classical Academy.

"We began with three grades – 28 little people and myself and two other teachers," Caddow recalls.

Today, the private school has 512 students in grades K-12 and a staff of 108. Trinity offers a rigorous education – including flourishing fine arts and athletics programs – informed by a Christian worldview.

"I certainly used my business degree in building a school from scratch," Caddow says.

Trinity's course of study goes back to ancient times. "There were reasons that for centuries people read the great books and studied Latin, and rhetoric and logic," Caddow says. Instead of elementary, junior high and high schools, Trinity has a grammar school, logic school and rhetoric school.





HAL FEARON (left) with **WILLIAM HUIZINGH** (center), and **LEONARD KAZMIER** (right). **ROBERT GWINNER** (bottom left) with **HAROLD WHITE** (bottom right).

Brian Burns

Growing opportunities for adults with autism



ALUM Brian Burns.

Brian Burns (B.S. Accountancy '81) is co-founder of Grayhawk Capital, a Phoenix-based venture capital firm that helps inspired entrepreneurs assemble the funding they need to grow and succeed.

Now he's applying his experience in the nonprofit arena as the president of the board of SEEDs for Autism. The comprehensive Phoenix-based program provides adults with autism opportunities to build self-esteem, make friends and learn skills that could lead to jobs. In many ways SEEDs fits the profile of a startup that Grayhawk would invest in: a young operation that's moving ahead on a great idea.

Burns is involved at SEEDs because his younger son Alex was diagnosed with autism. "There's a real shortage of things where older kids can continue to learn," he said. That's when the family discovered SEEDs.

Even though it's nonprofit, SEEDs must operate like a business and money is a continuing challenge. A larger location could serve more students. Burns thinks all the program needs is awareness.

they stay in touch!" Fearon delights in knowing that many of his students reached the top in their field.

Other emeriti who attended the lunch were Robert Knox, Michael Ormiston, Nancy Roberts, Richard Winkelman (Economics), Jerry Poe (Finance), Leonard Kazmier, Robert Keim (Information Systems), David Gourley, Robert Gwinner, Harold White (Marketing) and Craig Kirkwood (Supply Chain Management).

If you have a favorite memory about one of your professors, please send them to editor.wpcmagazine@asu.edu or share them on the W. P. Carey Facebook page.

They wrote the book

The emeritus faculty who turned out for lunch at McCord Hall one hot day this summer represented every decade that business has been a school at ASU.

"The W. P. Carey School of Business wouldn't be where we are today without the many contributions of our emeritus faculty," said Dean Amy Hillman. "It was great to see them all and honor the past."

Several of the retirees began teaching at the school at the very beginning. Emeritus Accountancy Professor William Huizingh was recruited from the University of Denver in 1959, Emeritus

Management Professor Harold Fearon arrived in 1961 and Emeritus Finance Professor Glenn Wilt Jr. joined the faculty in 1962.

Many reported that retirement is a relaxing lifestyle. Steven Golen, who retired from the School of Accountancy in 2011, said that he's playing more golf and enjoying visits to New York City, where his daughter, Katy Golen (B.S. Computer Information Systems '10) is working for American Express. Jay Butler, a finance and real estate professor who also retired in 2011, said he's doing some consulting but he's mostly enjoying his grandchildren and traveling.

For others, retirement includes work. Emeritus Management Professor Anne Tsui has been in China promoting sustainable and responsible management. Former supply chain management department chairman William Verdini has been

in India helping to found the MYRA School of Business, where he serves as associate dean and director of external relations. Management Professor Emeritus Daniel Brenenstuhl is the founder of the International Business Seminars program, which offers opportunities for students to learn from

business leaders abroad. Greg Daneke, retired from the Morrison School of Agribusiness, is teaching business fundamentals to members of the Occupy Wall Street faction in Vancouver, British Columbia. Economics Professor Emeritus Elmer Gooding is the interim dean of the ASU Emeritus College.

Daneke said his fondest memories from his career focus on students, "really excellent students from farming communities like Safford." Charles Myler, who taught real estate, echoed the thought. "My favorite memory is having so many students who were so enjoyable — and



Emeritus faculty tour the W. P. Carey School's graduate education facility, McCord Hall.

Burns is well-prepared for the task. After graduating in 1981 he joined Arthur Andersen & Co., where he became a senior manager in the audit division. Later, he was vice president of two venture capital firms before becoming vice president and chief financial officer at El Dorado, the venture arm of Pinnacle West Capital Corporation. In 1999 he founded Grayhawk Capital with Sherman I. Chu.

SEEDs is exactly the kind of project Burns loves: it's "an idea with growing market need providing value to all constituents — like a good venture capital deal." SEEDs is impacting several dozen young adults currently, and Burns hopes that number will rise to hundreds someday.

Burns left the board of the W. P. Carey Alumni Chapter to free up time for SEEDs, but he has no intention of loosening his ASU ties. He has missed very few football games in 25 years, and he dreams of someday seeing a Final Four basketball season. Brian's son Michael (B.S. Accountancy '13) is a Sun Devil, too.

1990s continued

Simon Beltran, B.S. Marketing '94, is the president of PRISMA, a marketing firm in Phoenix, Ariz.

George Eversman, MBA '94, has been named to the Retailer Owned Food Distributors & Associates advisory council in Quincy, Ill.

Tracy Glende, MBA International Business '95, has been named the president and CEO of Veritas Steel LLC in Downers Grove, Ill.

Heather Cook, B.S. Business Marketing '97, is a licensed broker for

Housing Angels in Phoenix, Ariz.

Danny Mormino, B.A. '98, MBA '07, has been recognized as a certified financial executive by the Institute of Certified Franchise Executives in Scottsdale, Ariz.

Eric Pyles, B.S. Finance '98 is the owner of Cambridge Financial Services in Chandler, Ariz.

Howard Farran, MBA '99, is the founder and CEO of Farran Media LLC, which publishes Dentaltown magazine, Hygienetown.com, Orthotown.com and the flagship site, Dentaltown.com.

Julie Huntley, Ph.D. '99, has been named the dean of the business school at Oral Roberts University in Tulsa, Okla.

Bruce Yeager, MBA '99, was recently named a managing consultant at Viscadia, a pharmaceutical firm in Washington, D.C.

2000s

Joseph DeSchryver, MBA '00, MHA '00, has joined the board of CenCal Health in San Luis Obispo, Calif. CenCal is a public entity that administers Medi-Cal, California's version of Medicaid.

Matt Kraft, B.S. Economics '01, will lead the sales and client retention team for Associa, a management company in Dallas, TX offering services to homeowners' associations and other kinds of real estate communities.

MaryAnn Miller, MBA '01, was included on the "Top 50 Most Powerful Women in Technology" list by the National Diversity Council. Miller is the chief HR officer at Avnet, a Fortune 500 company in Phoenix, Ariz.

Nan Feng, B.S. Finance and Marketing '02, has been named the regional director of finance for Mainsail Lodging & Development in Tampa, Fla.

George Seperich

Honoring a giant in agribusiness



When Professor George Seperich retired in June 2014 after teaching at the Morrison School of Agribusiness for more than 35 years, he left a legacy of success: his students.

Just ask Sheldon Jones. Seperich "has been the best, and most engaged, student advocate I've ever known, and he is an incredible mentor to his younger colleagues," he says.

Since the late 1970s, when Jones first started taking undergraduate agriculture courses at ASU, Seperich has been his teacher, mentor, colleague and friend. Jones, vice president of the Farm Foundation in Chicago, has spearheaded the establishment of the George Seperich Scholarship fund, which will provide annual scholarships to undergraduate students in the Morrison School.

The agribusiness community has raised enough money to endow the scholarship, and fundraising continues. The goal is to award the first scholarships for the 2015-16 academic year.

"Many of us consider George to be the heart and soul of the Morrison School, and certainly he has been the most visible representative of the school in his outreach to the agricultural industry," commented Richard Morrison, a member of the

executive committee of the Agribusiness & Water Council of Arizona.

"The committee that worked on the establishment of a scholarship in his honor wanted to raise enough money for this scholarship so that it will always be one of the most prestigious scholarships awarded by the Morrison School," he added. "That would be a fitting tribute to George's legacy among us."

Seperich has been a giant in the Arizona agribusiness community. He was instrumental in the creation of the state's water and agriculture policies, and he helped establish the Arizona Department of Agriculture, which Jones, his former student, led from 1997 to 2002.

Seperich has also championed the ASU agriculture program.

"George has been there through thick and thin," says Jones, who has undergraduate and master's degrees in agribusiness from ASU. "He provided the infrastructure and the mindset that are the foundation for future growth and opportunity at the Morrison School."

TO MAKE A GIFT, go to asufoundation.org/seperich or contact Ashleigh Leite, associate director of development, donor relations, at ashleigh.leite@asu.edu.

Chrissy Vasquez, B.S. Marketing '02, serves as the executive director of Back on My Feet Indianapolis. Back on My Feet is a national, for-purpose 501(c)3 organization that uses running

to help those experiencing homelessness change the way they see themselves and move toward employment and independent living.

Art Jacobs

A boyhood swept up in war

When Arthur D. Jacobs (B.S. Management '63, MBA '66) was a boy, he could not have imagined that in September, 1993 he would stand on the field at Sun Devil Stadium, accepting a Faculty Appreciation Award acknowledging his dedication to his former students.

During his 23-year military career, the U.S. Air Force sent Jacobs to ASU for a bachelor's degree in production/operations and an MBA. Discharged at the rank of major he went to work for Motorola in Phoenix. Then in 1973 professor Hal Fearon recruited him to teach supply chain management and production/operations. He stayed for 20 years.

That story would have astonished the young Jacobs. Son of German immigrants, he was 11 in November 1944 when his father was arrested and held at Ellis Island in the Justice Department's wartime sweep of Germans and German-Americans. Three months later, his exhausted mother took her two sons to join her husband, under a provision of the Alien Enemies Act of 1798 that allowed families to remain with detainees.

In April 1945, the family was moved to an internment camp in Crystal City, Texas, and even though the war in Europe was ending, they remained in the camp for eight months. Then they were shipped back to Ellis Island and on to Germany, to Hohenasperg, an ancient fortress that



Jacobs, in a boxcar similar to the one used to transport his family to prison in Germany.

was used as a prison. Jacobs and his brother were released without their parents a few days later, on their own in the war-ravaged country. Jacobs was 13 and his brother was 15.

It took almost two years, but the boys made their way out of Germany and back to the United States, leaving their parents behind. Despite his experiences, Jacobs enlisted in the Air Force: "My parents raised patriots," he explained.

Jacobs tells the story in his book, "The Prison Called Hohenasperg: An American Boy Betrayed by His Government during World War II" (Universal Publishers, 1999).

In 2002 Jacobs donated the thousands of pages of notes he compiled while writing his book to the United States Air Force Academy. Although they were not citizens, his parents were in the country legally and were law-abiding Americans, he says. He will never forget what his family suffered, but he remembers his father telling him that "these things happen in times of war." That's why he continues his research: to help make sure it doesn't happen again.

Jarrad Evans, MBA '04, has been named the vice president of business development and strategy at Benchmark Hospitality International in Woodlands, TX.

Charles Norris, MBA '04, is the director of La Jolla Kiwanis Club in La Jolla, Calif.

Alex Asnovich, MBA '05, is the new director of marketing for North America at Hikvision Digital Technology Co. Ltd. in San Jose, Calif. Hikvision is one of the world's leading suppliers of video surveillance products and solutions.

Mark Magnotti, MBA '05, has been made the director of operations for

TMX Aerospace in Kent, Wash.

Nicholas Wesley Yee, B.S. Accountancy '06, MTax '09, is an equity analyst at Gradient Analytics in Phoenix, Ariz.

Carolyn Massiah, Ph.D. Marketing '07, is a marketing lecturer at the University of Central Florida.

Laurence Schiffman, B.S. Accountancy '06, is a wealth management advisor in Denver, Colo.

Clint Marchuk, MBA '07, is the vice president of acquisitions for Vestar in Phoenix, Ariz. Vestar develops and manages commercial property in Arizona and California.

Miguel Prietto Jr., MBA '07, is an attorney at Archer Norris PLC in Orange County, Calif.

Weston Bergmann, B.S. Marketing '08, is the founding investor of BetaBlox, a start up incubator in Kansas City, MO.

Kyle Askine, MBA '09, is the director of IT support at OPIS in Washington, D.C. OPIS, or Oil Price Information Service, provides real-time and historic retail fuel prices and delivers news and analysis about oil markets.

Stephen Murphey, MBA '09, is an incubator at The Harbor Accelerator in Charleston, S.C., working with entrepreneurs on aerospace projects.

Aaron Pool, B.S. Management '09, is the owner and operator of Gadzooks Enchiladas and Soup in Phoenix, Ariz.

2010s

Clint Wood, MBA '10, leads the strategic management team for Saudi Aramco in Dharan, Saudi Arabia.

Anthony M. Gonzales, B.S. Management '11, MBA '14, is the founder of Force Impact Technologies, which makes FITGuard, an athletic mouth guard that alerts athletes when they have experienced impacts putting them at risk of concussion.

Jack Vargas, B.S. SCM and CIS '12, is an information technology advisor for Intel in Portland, Ore.

Adam W. Bell, B.A. Business Sustainability '13, is the co-founder of OrderUp Tempe, an app and website that connects prospective customers to restaurants in Tempe, Ariz. that deliver.

Katie Conrad, B.S. Accountancy '13, is a contracts specialist for Alliant Techsystems.

Zach Conrad, B.S. Accountancy '13, is a financial analyst in material cost management at Boeing. Katie and Zach were married on May 25, 2013 and reside in Mesa, Ariz.

Christopher Glover, M.S. Management '13, is the current Vice

Mayor of Mesa, Ariz.

David Greene, MBA '13, is the founder and CEO of US Lead Network in Phoenix, Ariz. The company provides health care internet marketing, search engine optimization and WordPress websites to medical and dental practices.

Hayley Magerman, B.S. Marketing '13, has been named the campaign executive for the Jewish National Fund in Phoenix, Ariz.

David Choi, B.S. SCM and Economics '14, is currently pursuing a Master of Science degree at Stanford University.

FACULTY OBITUARIES



Ralph Eugene Smith

Emeritus Accountancy Professor Ralph Eugene Smith, 72, died March 12, 2014 at his home in Chandler, Arizona, after battling cancer. He and his wife, Mary, moved to Tempe in 1970 to begin his lifelong career teaching accounting and authoring textbooks at the W. P. Carey School of Business. While an undergraduate at Washburn University he played on the football team, then went on to earn master's and doctoral degrees at the University of Kansas. He is survived by his wife, Mary Smith, and daughter, Allison Beauer, both of Chandler and son Tucker Smith of Roswell, Georgia.



Dwight Smith-Daniels

Professor Dwight Smith-Daniels, 61, who taught in the department of Supply Chain Management from 1987-2008, died on July 2, 2014. Daniels was the chairman of the Department of Information Systems and Supply Chain Management at the Raj Sooin College of Business at Wright State University at the time of his death. He leaves his wife, Professor Vicki Smith-Daniels, and a son, Matthew Smith-Daniels. Professor Vicki Smith Daniels was also a member of the W. P. Carey faculty, from 1987-2010, and is now a professor of operations management the Kelley School of Business at Indiana University.

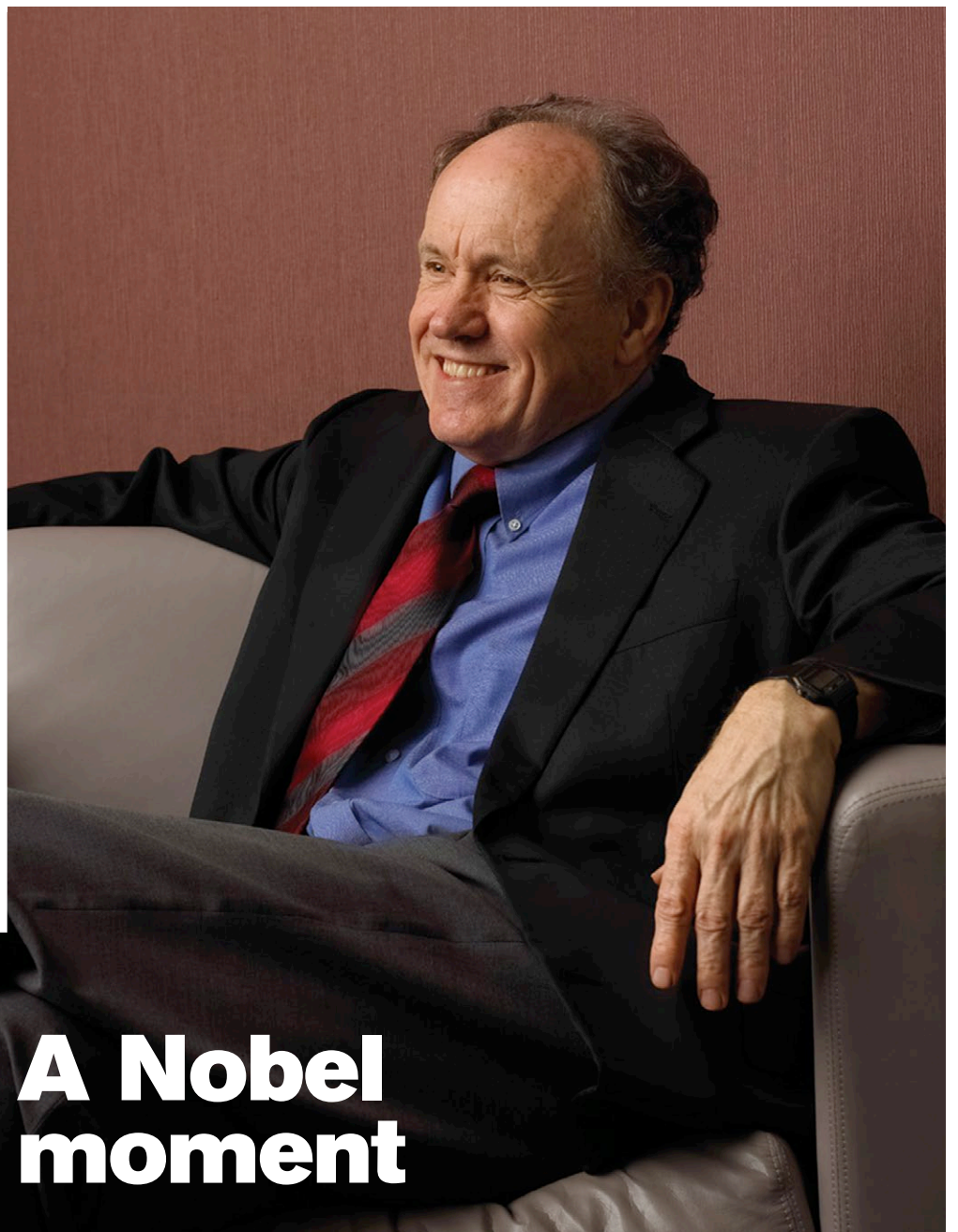
IN MEMORIAM

1948 Shirley Coats	1966 William Cullen	1979 Michael Ash Victoria Pickard-Brown Billie Sivils
1950 Ralph Bryan	1967 Judith Sutton	1982 Max Carr
1952 E. Bischoff	1969 Stanley Harter Jr.	1985 John Frazier
1953 Frederick Russek	1970 Marianne Wagner	1986 Brian Goebel Susan Larkin
1954 Bob McClendon	1971 John Donna Peter La Porta	1989 John Portello
1955 Edward Cunningham	1972 Gerald Hylar Walter Lesko	1991 Barry Poupore
1957 Jerry Chevront John Conover William Montierth Howard Tang	1974 Rodney Brooker Eugene Feters Thomas Murphy	1992 Wesley Dillard
1958 Harold Burr Samuel Campbell James Rockwell	1975 Kenneth Koss Danny Valdivia	1996 Manuel Mireles Jr.
1961 Donald Taylor Gary Taylor	1976 Mark Mayfield Herbert Wunderlich Jr.	2002 Kenneth Quihuis
1962 Robert Garcia	1977 Keith Leoffler	2004 Susan Barnes
1963 Franklyn Caruso David Peters		2011 Max Mendoza



FROM LEFT: Regents Professor and W. P. Carey Chair in Economics Edward C. Prescott receives the prize from the king of Sweden.

Prescott, right, founded the Center for the Advanced Study in Economic Efficiency.



A Nobel moment

In the darkness of 4 a.m. on October 11, 2004, economics professor Edward C. Prescott's phone rang. At the other end of the line was the Nobel Committee of the Royal Swedish Academy of Sciences, informing him that he had been chosen to share that year's Nobel Memorial Prize in Economic Sciences with his research partner, University of California, Santa Barbara professor Finn Kydland. For Prescott, that call was the beginning of a whirlwind of congratulations and media appearances. ASU was already electric with excitement because the international press was gathering for the debate between President George W. Bush and candidate John Kerry at Gammage Auditorium three days later. That evening, colleagues and students — some having flown in for the occasion — encircled Prescott for a champagne toast at the University Club. Two months later, on December 10, faculty, staff and students gathered in the first floor lecture hall in BAC to watch a live telecast from Stockholm as one of our own accepted the Nobel Prize Medal from King Carl XVI Gustaf of Sweden. Since then, Prescott's presence has enlivened the intellectual atmosphere at W. P. Carey as he leads the research center he founded and encourages the next generation of economists. (See related story page 34)





The most trusted economic forecasting event in the Valley.

The stock market is at record levels, employment has recovered, but the employment rate continues a worrisome downward trend. Interest rates are very low by historic standards, but GDP growth is still anemic. Will the U.S. economy finally get back to its long-term trend?

Join us at the 51st Annual Economic Forecast Luncheon, and hear advice on these issues and more from top national and regional experts

ASU/JPMorgan Chase Economic Forecast Luncheon

Wednesday, December 3, 2014

11:15 am to 1:15 pm

Phoenix Convention Center

South Ballroom
3rd Street and Jefferson Street
Phoenix, AZ

For tickets and registration go to wpcarey.asu.edu/efl

The net proceeds from the luncheon allows the Department of Economics to provide scholarships for outstanding students as well as support for other academic and professional activities in the department through the ASU Foundation, a separate non-profit organization which exists to support ASU.

SPEAKERS



BethAnn Bovino
U.S. Chief Economist
Standard & Poor's
Ratings Services



James Glassman
Managing Director and
Senior Economist
Commercial Banking,
JPMorgan Chase & Co.



Lee McPheters
Research Professor of
Economics, W. P. Carey
School of Business
Director of the
JPMorgan Chase
Economic Outlook
Center



Elliott D. Pollack
CEO
Elliott D. Pollack
& Company

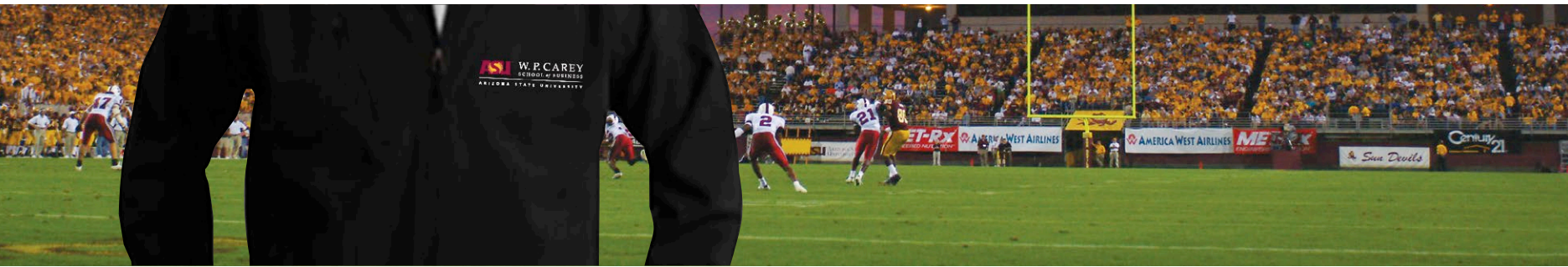
PRESENTED BY

**JPMORGAN
CHASE & CO.**

**DEPARTMENT
OF ECONOMICS**

ASU W. P. CAREY
SCHOOL of BUSINESS
ARIZONA STATE UNIVERSITY

W. P. Carey School of Business
P.O. Box 873506
Tempe, AZ 85287-3506 USA



everywhere.

Visit wpcareystore.com to bring W. P. Carey with you, wherever you go