Has the George Foreman grill lost its sizzle?

To find out whether to short the stock of Fulton Companies, which makes the George Foreman grill, students in Professor Joel Sternberg’s “Stocks and Bonds” class did what any research analyst would do - they consulted Thomson ONE software.

Thomson ONE, which was recently installed in GSOM’s Computer Lab, provides students with access to in-depth research that previously was unavailable on campus. The software represents the largest in-kind gift ever to GSOM.

While other financial tools are available to GSOM students, Sternberg said, “Thomson ONE gives more timely information. One of the most important things it provides is analyst estimates of quarterly earnings. The information is more comprehensive and varied than what we previously had available, and it also includes analyst comments.”

Based on information provided by Thomson ONE, students can go well beyond the typical ratios used to gauge the value of a company’s stock. Because Fulton was debt heavy, Sternberg believed the book value was not a good measure of the company’s value, so he wanted his students to use the enterprise value ratio. They were able to do so with Thomson ONE.

Other GSOM professors are also incorporating Thomson ONE into their courses, including finance professors Richard Spurgin and Maurry Tamarkin, who plans to use it for a technical analysis course.

Tamarkin said, “I like that Thomson ONE gives students access to past stock prices, and also provides the ability to draw trend lines and plot moving averages.”

The Thomson Connection

The effort to bring Thomson ONE to GSOM began when Jay Spach MBA ’84 joined GSOM’s Advisory Council. A senior vice president at The Thomson Corporation, Spach said Thomson ONE will benefit GSOM students, but he added that Thomson also benefits when students become accustomed to using Thomson products.

With the additional support of fellow Clark alumnus Warren Breakstone ’91, GSOM had the system installed last summer. Breakstone serves as Chief Operations Officer, Global Sales, Marketing and Services at Thomson Financial Corp.

“Students now have far more robust tools to do real-time analysis in the equity space,” Spach said. “They can use Thomson ONE to build trading and analytical workflows, just like Wall Street analysts do.”

Spach said Thomson ONE is currently configured to meet the needs of a business school, but that it will be modified as needed once students have an opportunity to use it and professors can better gauge future needs.

A Thomson Trading Center is a logical next step, he added, as “the jump from here to there is minor.”

While experience using Thomson ONE won’t guarantee a job for GSOM graduates, Spach said Thomson ONE is in all major brokerage houses worldwide, and “there aren’t a lot of business-school graduates that can say they have expertise on a Thomson ONE product.”

Growing the “Portfolio of Opportunity” at GSOM

When I welcome new students to GSOM, I always encourage them to think of this school as a valuable portfolio of opportunity.

At its core, the portfolio of opportunity includes a dedicated and talented faculty, who enjoy helping students grow, staying in touch after graduation, delighting in their professional accomplishments and welcoming them back to campus as respected alumni. But it also includes an exceptional set of learning experiences and personal relationships, unavailable at most other business schools.

This issue of CONNECT focuses on GSOM’s portfolio of opportunity and our relentless efforts to improve it in four key ways:

- Corporate and personal support
- Executive speakers
- An internationally diverse student body
- Corporate internships

Thomson Financial’s gift to GSOM – the Thomson ONE package – is an extraordinary addition to this portfolio and is the largest in-kind gift in our history. Our finance students and faculty have never before had such real-time data at their fingertips to use in sophisticated analyses. Orchestrated by two Clark alumni – Jay Spach and Warren Breakstone – it represents the first step toward a full-fledged Thomson Trading Center. Without their generosity, our finance students would not have the opportunities they deserve in the job market.

The opportunity to learn first-hand from savvy executives is another key element in this portfolio. Whether it’s hearing GSOM alumna Isabel Hochgesand from Procter & Gamble – Europe discuss her work in global media purchasing or Ralph Crowley, another Clark MBA and CEO of Polar Beverage, discuss his competitors, Coke and Pepsi, students have excellent opportunities to enhance their learning outside the classroom.

Having classmates from 32 (!) countries, and from world-class companies like Fidelity and EMC, provides an outstanding opportunity for our students to expand their views. China, Taiwan and India, and the economic powers they have become, take on a more personal reality, as students from those countries work with fellow students on team projects and case studies, or simply talk informally over coffee in the Winton Atrium.

Then there are the ways in which students come into the most direct contact with the business world – internships and consulting projects. This is where we always need your help. Please keep Clark students in mind when you see opportunities for internships or jobs. John Mattson and Cindy Richard in the Stevenish Career Management Center are always delighted to put employers in touch with our talented, hard-working, globally savvy students.

Your support and generosity are more important than ever as we approach our 25th anniversary celebration in 2007. We’ve come a long way, but there’s still a long way to go; and growing this portfolio of opportunity for GSOM students and alumni must always be our top priority.

As always, we welcome your ideas and your support. Please stay in touch.

With warm regards,

Ed Ottensmeyer
Dean (eottensmeyer@clarku.edu)

PS. We welcome your feedback. Let us know what you would like us to write about in Connect and what you think of our new look.
Polar Bears Up Well Against Big Competitors

You might say Polar Beverages, Inc. and its competitors are polar opposites:

Polar’s competitors, such as Coca-Cola Company and PepsiCo, spend millions of dollars advertising on television, in print and on billboards. President and CEO Ralph Crowley Jr. MBA ’79 said Polar, which is based in Worcester, MA, focuses primarily on special promotions and giving away samples at sporting events.

Some big companies outsource distribution. Polar considers its distribution system to be its most valuable asset.

Brand-name colas from the big companies can be found on shelves worldwide. Polar distributes as far away as Florida, but much of its product line is not sold under the Polar name. Polar bottles and distributes many private-label (store brand) and specialty drinks, such as energy drinks and juices.

There’s one other important difference between Polar and its large competitors — Polar is far from bearish. It is, in fact, growing rapidly, while sales by big competitors are dropping.

Little Big Company

Speaking at the “Executive Discussions” lecture series hosted by GSOM Executive-in-Residence Peter Rowley, Crowley said Polar has officially become the world’s largest small business.

He attributes Polar’s growth to its partnerships with smaller, growing brands. While larger companies continue to promote their brand and focus primarily on colas, Polar has taken advantage of changing consumer tastes.

In addition to Polar Beverages, which can be found on Worcester-area shelves, Polar has partnerships to distribute such well-known products as 7-Up, Sunkist, R.C., Seagram’s, Snapple, Nantucket Nectars and Arizona Iced Tea.

Many of the company’s most successful products came from small companies. For example, Crowley said he was impressed with the enthusiasm of the founder of Glaceau Vitamin Water, so Polar bought 70,000 cases of it.

“We didn’t think it would amount to anything,” he said, but the company that makes Glaceau recently sold for $2.3 billion.

The Glaceau story is not atypical for Polar. Polar often works with small companies, offering distribution in return for equity. In doing so, Crowley said, “We’ve made a lot of millionaires out of garage guys.”

Polar, which celebrates its 125th anniversary next year, has made about 20 acquisitions since Crowley became president in 1993. Its largest acquisition was of Adirondack Beverages, which required the use of venture capital. Polar gave up 49 percent of its equity to venture funds, but doubled the size of the company and bought back 30 percent of its equity. Polar now distributes a quarter million cases of soft drinks a day.

“There is no other way to do it,” Crowley said.

Speaking at a recent “Executive Discussions” lecture, Ralph Crowley Jr. MBA ’79 said business is heating up for Polar Beverage, Inc.

57 Gallons
Amount of soft drinks consumed each year by the average consumer.

37 Gallons
Amount of tap water consumed each year by the average consumer.

Source: Polar Beverages, Inc.
Students who want to advance their career today need to feel comfortable working in a global economy.

The Internet has made it possible to communicate with anyone anywhere instantly. Countries in other parts of the world have opened their own stock markets. The European Union, various trade agreements, outsourcing and other factors have contributed to making the economy global.

To excel in a global marketplace, business students need to learn to work with people from many different countries. Few schools can provide that experience as well as GSOM, according to Dean Edward J. Ottensmeyer.

The school not only brings together students from more than 30 countries, it also creates a setting in which students from many countries are encouraged, and even required, to work together.

It is, ironically, this opportunity to work together in a small, community setting that attracts students from all over the world, according to international students interviewed by Connect.

The four students profiled represent a cross-section of the countries represented by international students at GSOM. All four students interviewed, though, spoke highly of Clark’s reputation abroad and said that an American MBA continues to be the educational gold standard that can create opportunities for young professionals worldwide.

Nikeisha Russell, 27
Kingston, Jamaica

Career Ambition: Investment research analyst

How she learned about Clark: When her husband was accepted to Harvard University, she researched MBA programs throughout the state and settled on Clark because she liked the ability it offered to have close relationships with faculty. She also liked Clark’s motto: “Challenge Convention. Change Our World.”

Business challenges faced in Jamaica: “There’s a high start-up cost for businesses and interest rates are in double digits for business loans. There’s a stock market, but information about publicly traded companies is not as accessible as it should be. The small size of the country is also an issue.”

Advantages of a college with an international student body: “Diversity is one thing that attracted me here. It’s important to learn about other cultures and to appreciate other countries. One of my goals is to learn enough about five or six languages so that I can communicate with people from different countries.”
Peter Hakansson, 26  
Malmö, Sweden

**Career Ambitions:** Business development or product marketing for an international consumer goods company

**How he learned about Clark:** “A professor recommended it to me. Clark has an excellent reputation and a strong history. It is well known and well established.”

**Business challenges faced in Sweden:** “Our biggest challenge is the size of my country. We have only nine million people. The European Union is changing the way business is done on the continent, though. It’s creating many opportunities for young professionals. For many Europeans, the U.S. was the place to go. An American MBA is still considered the only internationally accepted degree. That’s changing, but when you’re looking for a job, it helps to have an American MBA.”

**Advantages of a college with an international student body:** “Here you can study with people from all around the world. You gather high achievers together and find that there is not that much difference between us.”

Yuliya Sirenko, 24  
Kiev, Ukraine

**Career Ambition:** Corporate finance or project manager or work for an international nonprofit organization

**How she learned about Clark:** She researched many schools on the Internet and chose Clark because it provided an opportunity to take a broad range of classes while still concentrating in finance. Based on research conducted by Case Western Reserve University, she found that Clark’s finance faculty was among the best in the country.

**Business challenges faced in Ukraine:** “Corruption is a problem in Ukraine. It can be difficult to open a business and difficult to keep it open. Equipment is aging, there is no financial market and banks are undercapitalized. There’s a stock exchange, but it is not fully accessible for public trading. I’m working in an already developed market here, but hopefully with the knowledge I gain, I can help build the market when I return home.”

**Advantages of a college with an international student body:** “Going to school in another country is an important experience because it exposes you to different cultures. In Ukraine, you don’t meet people from Africa, China and India. They all wonder what the U.S. is all about until they come here.”

Jaime Marak, 26  
Megalaya, India

**Career Ambition:** Finance for a multinational IT company

**How she learned about Clark:** A Clark graduate she knew told her about the program. She wanted to concentrate in finance and was told that the faculty had a good reputation. She liked the internship requirement and the career services offered by the school.

**Business challenges faced in India:** “Some of the major business challenges facing India include corruption and too many government regulations. The caste system is also a problem. The lower caste is a big majority and they are being left behind. Here in the United States, there’s a lot less power distance between the leadership class and the lower class. I would like to transfer that to India.”

**Advantages of a college with an international student body:** “At some point in your career, your subordinates or your boss may be from another country. Attending GSOM gives us a chance to learn what to expect when working with people from different cultures. One of the most important reasons for an MBA is to expand your network and make connections.”
What do Citigroup, Comcast, Dell, EMC Corporation, Fidelity Investments, Genzyme Corporation, the World Bank, Bose Corporation and Saint-Gobain have in common?

All have hosted – and eventually hired – interns from the Graduate School of Management.

GSOM’s internships are just one example of the school’s partnerships with area companies, according to Dean Edward J. Ottensmeyer, who moderated, “Creating Effective Corporate-University Partnerships,” a panel discussion held recently at Clark’s Graduate Management Center in the Framingham Technology Park.

“The flow of people makes businesses and universities natural partners,” Ottensmeyer said. “Businesses need talented people. Universities and their students need opportunities.”

William Makatiani MSF ‘06, a Sarbanes-Oxley compliance officer with EMC who is from Kenya, said his internships with the Federal Reserve Bank, EMC and the former Allmerica Financial helped him develop relationship skills and gave him exposure to a variety of businesses.

Dena Knop MBA ‘98, director of internal communications at Bose, added that internships are “a good reality check to make certain a student’s skills equal what business wants.” She added that they are valuable because “the company sees the student’s performance and feels much more confident in the student.”

Knop, who chairs the Advisory Board of GSOM’s Stevenish Career Center, added that GSOM is open to recommendations and input from employers about their workforce needs. For example, 10 area employers recently participated in a resume critique day.

Beyond Internships

GSOM’s partnerships with employers go well beyond the typical internship, according to the panelists. Other programs include:

In-house degree programs. GSOM can create on-site programs using a curriculum that is custom-tailored to the employer’s needs, according to Diane T.L. Santoro, director of human resources for the Public Consulting Group (PCG) in Boston.

PCG, which works with government agencies and hospitals, had many consultants on its staff that wanted to earn an MBA, but they were on the road too often to commit to regularly scheduled classes. GSOM accommodated the company’s needs, holding classes in PCG’s Boston office that were focused on the industries that PCG targets.

“No other college would allow us such close involvement with the curriculum and the administration,” she said. “Most business schools have a standard package.”

Employee incentives. Many employers provide tuition payments, because GSOM classes improve the performance of their employees, according to Bill Fontaine MBA ’06, New England sales manager for Charter Business, a division of Charter Communications.

Access to research. The research and case studies available to GSOM students are especially valuable, Fontaine said, “because they can help a company avoid group think. It’s a great way to inject new ideas.”

Consulting projects. Students need to develop skills in team building, communication and project management, said John Rainey, senior management counselor and financial specialist at the Small Business Development Center (SBDC). To help them develop those skills, GSOM students work on special projects for area employers as part of a capstone management-consulting course.

Students in the program are implementing enterprise resource planning software for one company, and working with another to develop reusable packaging. They are also working with a wholesale distribution company that has an opportunity to grow, but is hampered by tough physical constraints.

While the partnerships between GSOM and area employers all differ, they also have one thing in common, according to the panel. They all benefit the students, employers and GSOM. ■

Panelists at a recent workshop on corporate partnerships included, left to right, Diane T.L. Santoro, director of human resources for the Public Consulting Group; William Makatiani, a Sarbanes-Oxley compliance officer with EMC Corporation; Bill Fontaine, New England sales manager for Charter Business, a division of Charter Communications, and Dena Knop, director of internal communications at Bose Corporation.
Ordinary Idea, Extraordinary Execution Equals Success

How do you become CEO of a successful small business?

There are two ways, according to George Gendron, executive director of the Innovation & Entrepreneurship Program at Clark University – you can fail as CEO of a Fortune 500 company or you can do a superb job executing an ordinary business idea.

The importance of execution was highlighted not only by Gendron, but by a panel of owners of some of the area’s fastest-growing companies, who spoke recently during Worcester Business Journal’s “Top Growth Companies 2006,” which was co-sponsored by GSOM.

That the panelists were involved in businesses as ordinary as a cleaning service, a light bulb company, an alternative energy company and an engineering firm highlighted Gendron’s point that a business idea is less important than how it is executed.

Gendron, who served as editor-in-chief of Inc. magazine, said that when he interviewed owners of Inc. 500 companies, “95 percent described the original idea for their business as ordinary or mundane.”

Finding Inspiration

Asked what inspired him to start a business, Stephen Buchalter, owner of Enterprise Cleaning Corp., said he helped a cleaning company grow from $750,000 in annual revenue to $6.8 million and “I woke up and said, ‘Why am I doing this for someone else?’ ”

It took him six months to get his first account, but he has been able to keep all of his customers and grow since then by providing consistently good work. A manager inspects each job at the end of each shift and meets with customers to discuss the work.

Stephen Rothschild, founder of Bulbs.com, summed up his inspiration in one word – “poverty.” By specializing in making light bulbs available online to commercial clients, Bulbs.com has grown an average of 46 percent a year for four years and now has more than $12 million in sales.

His next step is to sell light-emitting diodes (LEDs), which he believes can make Bulbs.com a $1 billion company.

“If I fail,” he quipped, “it’ll be only a $500 million company.”

Jason Federspiel of Alternative Energy Store, LLC said he started his business because working for a telecommunications company was unfulfilling.

His company has grown from $2.5 million in sales three years ago to $8 million. It has attracted and retained motivated employees, he said, because many people feel committed to promoting alternative energy.

James Banks of Integrated Process Technologies, Inc. said his company’s success has come from finding mistakes and correcting them early. His company provides engineering and construction services to biotechnology companies and other companies that require contamination-free manufacturing capabilities.

No company is perfect, he said, but “the truly effective companies recognize their mistakes early and correct them.”

How can I join the Clark University Online Community?

Go to:
www.alumniconnections.com/olc/pub/CLK/
Isabel Hochgesand MBA ’90, director, marketing purchases, Western Europe for Procter & Gamble, was the business honoree at the most recent Beta Gamma Sigma induction ceremony. She told inductees and those attending that, when seeking a job, “Look at the principles and values of the company. Don’t underestimate their importance. I realize that, over the years, the strict ethical guidelines that the company has have helped me interact better with colleagues, bosses and suppliers.” … Daisy Plovnick MBA ’78 has been appointed vice president of Charter Services Group, a subsidiary of 1st Bancorp in Stockton, CA. Charter Services Group helps start-up banks through the charter application, construction and capitalization process. She previously served as director of marketing and strategic planning for The Kendall Co., where she oversaw mergers and acquisitions, product license and transfer agreements, and joint ventures with major corporations … Feng Wang MBA ’05 is working as an accountant for Investors Bank & Trust Company in Boston. He will be taking additional accounting courses in preparation for becoming a certified public accountant (CPA) … Georg Schuppert MBA ’03 will begin an internship at the United Nations in New York City in January. He recently completed studies at Trier University, having served internships at Bosch GmbH in Stuttgart, Germany and Chile Foreign S.A. in Santiago, Chile … Alexzander E. Downs MBA ’03 is a financial valuation analyst at the Federal Home Loan Bank of Boston, where he models financial derivatives for enterprise risk management … Yicheng Lin MBA ’03 is a risk management specialist for Chinatrust Commercial Bank, the largest private commercial bank in Taiwan … Suleyman “Serter” Ince MBA ’03 of Izmir, Turkey is working in the marketing department of Efe Raki, producer of Raki, a traditional alcoholic beverage. He previously served as a sales representative for Tyco Healthcare and served in the Turkish Navy after graduating.

Faculty Notes Richard Spurgin, finance, discussed investment products that use commodity futures contracts at the Fourth Annual Korea Derivative Conference in August 2006. While in Seoul, he was entertained by members of the local Clark Alumni Association … Joseph Sarkis, operations management, spent last summer as a visiting scholar funded by the European Commission’s Erasmus Mundus scholarship program. He was the first and only scholar from North America selected for the Masters Programme in Environmental Sciences, Policy and Management. He presented a course on environmental supply chain management at the Central European University in Budapest, Hungary and at Lund University in Sweden … Mary-Ellen Boyle, management, and her co-author, Ira Silver, received the faculty research prize from the Society for the Study of Social Problems for their article, “Poverty, Partnerships and Privilege: Elite Institutions and Community Empowerment” … Christian Bach joined GSOM as a visiting professor of management information systems to replace Jing Zhang, who is on a sabbatical. Christian holds a PhD in MIS from SUNY-Albany and has a great deal of industry experience … Gary Chaison, industrial relations, was recently interviewed by CNBC, “60 Minutes,” CNN, Bloomberg and NPR. He discussed collective bargaining trends in the airline, automobile and retail industries. He has also been featured in The New York Times, The Wall Street Journal, Associated Press and others. His book, Unions in America, was published this year. … Priscilla Elssas, management, just back from a sabbatical and an American Council on Education Fellowship, assumes the new role of senior associate dean for academic and student affairs. She will also oversee admissions, career services and the Graduate Management Center.

Staff Notes Andrea Aiello, former director of program management and planning, was named assistant dean, with expanded responsibilities in program development and management of key client relationships … Pat Tollo was named director of student services … Lynn Davis was named director of enrollment management and marketing … Cindy Richard was appointed associate director of career services and external relations … Laura Burgess was named a program administrator.