

W.P. Carey

SCHOOL OF BUSINESS
ARIZONA STATE UNIVERSITY

INSIDE

The Basha brothers:
Keeping it fresh

Tastemakers:
Succeeding in the
restaurant industry

Local Flavor

**How companies like
Sossaman Farms
secure the future
of local foods**

STEVE SOSSAMAN,
Owner, Sossaman Farms
B.S. Agriculture, '78



Business is **personal.**

Take a moment to consider the impact the W. P. Carey School of Business has had on your life. As an alumnus or friend of the W. P. Carey School, you have a firsthand understanding of our entrepreneurial approach to learning and the unique opportunities that we provide our students. Last year alone, scholarship support provided access to higher education for 1,000+ W. P. Carey School students.

Inspire the next generation of business leaders with your gift today. Together we can create positive change on a global scale.

wpcarey.asu.edu/invest

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



DEAR W. P. CAREY FAMILY AND FRIENDS,

Is there a food that reminds you that you are a Sun Devil? When I think of W. P. Carey, I think of donuts and ice cream. On the first day of school each semester we deliver donuts to the faculty and staff, and every July we host an ice cream social for the same group. The Chuckbox burger is the food I most associate with ASU. When I was a faculty member we'd walk newly hired colleagues across the blazing hot campus when they arrived each summer for one of those iconic burgers. That may seem cruel, but hey: as far as I'm concerned, the Chuckbox is the place for hamburgers at ASU, no matter what time of year.

This issue covers many facets of the business of food, including the psychology that underpins our behavior. Food shapes our memories and bridges cultures; it can form lasting bonds between people. As I write this, I have just returned from several weeks in China. While there I shared meals with our alumni, faculty and graduates, and every bite was a celebration of their accomplishments. We visited the largest snack food and beverage company in China (Want Want Group), where one of our alumni, Lu Jian (MBA '12) is deputy director of general production department. We sampled food that Chinese children grow up on, and I couldn't help but think the food I loved as a kid was very different. The W. P. Carey faculty traveling with me who are Chinese shared their memories of favorite childhood foods and talked about what their families like to eat today. They were excited to bring back some of their memories in their suitcases.

I stayed on to vacation, which included culinary tourism. The food in each place I visited was a huge part of the learning experience. Walking through markets, I reveled in the culture of food and the business of producing, sourcing and preparing it. In Xi'an, we joined a food tour led by locals who wanted to make sure visitors experienced what makes their city so special. I'll admit I've become addicted to xiao long bao – Shanghai's delicious soup dumplings. Even the sad, frozen version I can buy at home brings back amazing memories.

In these pages you'll learn about food, but you'll also read about our faculty and their research, and our alumni and their businesses. We hope something here evokes memories as well. To me, that's what makes the W. P. Carey School of Business so special: the people and the memories. I laugh over my most embarrassing moments in the classroom, treasure the colleagues I work with and those who have moved on and miss my students. Memories make a life, don't they?

What's your memory of us? Is it a faculty member who made a difference in your life? Is it an advisor who helped you thrive? Is it friends made in the dorm, or in class or on the sports field? Share it with us. We want to hear about your memories and reconnect you with the school, your faculty and staff and fellow alumni. Tell us what makes this a special place for you.

Amy Hillman

amy.hillman@asu.edu
@WPCDean

The food in each place I visited was a huge part of the learning experience. Walking through markets, I reveled in the culture of food and the business of producing, sourcing and preparing it.

W. P. Carey magazine works toward a simple goal: to re-introduce you – our far-flung alumni and friends – to each other, and to help you become something like a family.

DEAR W. P. CAREY FRIENDS,

Food, glorious food! The team that creates W. P. Carey magazine was very excited to work on this issue. Where does food come from? How does it get to us? Why is it so much more than mere sustenance?

I was mentally chewing on that and more when I interviewed four of the top executives at Bashas' Inc., an independent grocery company in Arizona (page 10). The executives – Edward "Trey" Basha III and brothers David, Ike and Mike – are all W. P. Carey MBA alumni,

the third generation of Bashas to operate stores in one of the most competitive markets in the country.

Rather than sitting down at corporate headquarters, we met at one of their stores in Gilbert, Arizona. When I arrived, the photographer was setting up lights in the produce department. The brothers joked with each other as we posed them amidst the vegetables, and the good-natured ribbing continued when we sat down for our talk. Frequently one brother would make a comment, and another would elaborate. That creative give-and-take is business as usual among the leadership at Bashas'. In the process they make better decisions, and they help each other become better people. Because they are brothers, they trust each other to have the best interests of the family and the business at heart.

W. P. Carey magazine works toward a simple goal: to re-introduce you – our far-flung alumni and friends – to each other, and to help you become something like a family. You may not be siblings, but like siblings you have shared experiences. You attended a top business school, where in addition to the knowledge and skills to succeed, you learned about W. P. Carey's values: excellence, integrity, impact and community. And, you absorbed the W. P. Carey mantra that "business is personal." As you page through this issue, we hope you'll discover ways you can deepen your W. P. Carey family ties. Check the calendar and find a networking or social event in your city to attend. Look into our mentoring programs. Hire an intern or simply help a fellow alum with an introduction. In other words, spend some time together. That's what families do, right? You are sure to come away with new insights and friends.

It's been 20 years since I joined your family, and it's been wonderful! But now it's time to slip out the door – as you read this I'll be retired and out bird-watching somewhere. But we all know that you can't retire from family. Even though I won't be at my desk chasing stories, I won't disappear. You just might see me at Homecoming. Please say hello!



LIZ FARQUHAR, Managing Editor
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SHELLEY MARIE VALDEZ

w.p.carey

W. P. CAREY MAGAZINE
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Send editorial submissions and letters to wpcmagazine@asu.edu

SETTING THE TABLE AT SKYBERRY FARMS
(Class Notes, see page 35)

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ON THE COVER: Steve Sossaman at Hayden Flour Mills, Queen Creek, Arizona. Photo by King Lawrence



inside wpc



THE 30 UNDER 30 RISING SUPPLY CHAIN STARS identifies top-performing young professionals
(see page 8)



NEW VENTURE GROUP: Student consultants have solutions, will travel
(see page 32)

Editor's note: In our last issue, one of our research features explored the issues facing family farms. Reader Rick Kloeppel poses a good question.



TO THE EDITOR,

I received my copy of the latest issue the other day, and as expected, the magazine is informative and entertaining, especially after a 32-year career and 10 years of retirement.

I was particularly drawn to the article titled: "What's next for the family farm business?" My perspective on that issue is somewhat unique. I lived in Illinois farm country for 27 years and 15 years in west central New Hampshire. The difference between family farms in those states is stark: in New England we farm; in the heartland we do agriculture. I was disappointed that the article did not mention agritourism, which affects both the survival and succession planning of many family farms in this region. I would think that that Dr. Mishra's research would explore the implications of agritourism, especially as it impacts the long term sustainability of family farms.

Thank you for producing this terrific publication. I often wish I could return for some advanced study.

RICK KLOEPEL
(B.S. Business Administration '74)

Response from Professor Ashok Mishra:

"Agritourism" is part of the discussion about the survivability of small farms, especially in the Northeast region of the U.S., and I have published several research articles that point to the importance of agritourism to farming businesses. Farms in the Northeast are small and are located near urban fringes; they are engaged in the production of high-value, organic agricultural outputs such as fruits, vegetables and horticultural products. These products have a shorter shelf life, but they command higher prices. Additionally, farmland value in this region is very high and contributes to about 90 percent of the total assets. These farms will be in the family farming business until they are bought out by developers who are interested in building the houses, shopping complexes and recreational areas demanded by people living in suburban areas. Unfortunately, our data do not bear out these results due to lack of data collected by the United States Department of Agriculture. Read more at research.wpcarey.asu.edu.

ASHOK MISHRA
Kemper and Ethel Marley Foundation Chair in Food Management
Morrison School of Agribusiness

TOP 10 LIST of REASONS TO BE PROUD OF W. P. CAREY

Here are 10 golden nuggets you can pull out the next time the conversation turns to your alma mater

#10

There are more than 50 ways to get your business degree at W. P. Carey.

We offer 30 undergraduate, four MBA, 10 specialized masters and eight Ph.D. degrees.

#9

The average debt for an Arizona resident who graduates from ASU is 30 percent less than the national average.

The average student debt load is \$37,000 nationally; the average for an Arizona students at ASU was \$24,000, according to the Arizona Board of Regents Financial Aid Report.

#8

Twenty percent of W. P. Carey freshmen are the first in their families to go to college.

W. P. Carey Undergraduate Admissions.

#7

More than 80 percent of ASU students receive financial assistance.

Arizona State University Office of Financial Aid and Scholarship Services.

#6

ASU is the school of choice for Arizona's Flinn Scholars, the state's top high school seniors.

More Flinn Scholars choose ASU than the University of Arizona or Northern Arizona University.

#5

ASU is the No. 1 ranked university in the U.S. for innovation.

U.S. News & World Report, 2016.

#4

W. P. Carey is home to one of ASU's four Nobel Laureates.

Regents' Professor Edward C. Prescott was awarded the Nobel Memorial Prize in Economic Sciences in 2004.

#3

You've heard of "Shark Tank." W. P. Carey hosts an annual Spark Tank and other competitions to bankroll student startups.

Investors commit more than \$250,000 a year to student entrepreneurs through financial support and competitions.

#2

W. P. Carey is working with NASA to increase productivity in space.

Management Professor Jeff LePine's research is the first business school project NASA has funded.

#1

ASU's party school ranking is in the rear view mirror, but with the great weather and plenty to do, W. P. Carey's hard-working students still have fun.

ASU has not made the party school ranking in years.

Overheard on Twitter

FLETCHER KING, student, sports and media studies

SEVEN THINGS I LEARNED FROM MY FIRST YEAR OF COLLEGE

1. Things will be new at first, and some of them may be frightening, but if you're willing to take some chances you'll find a bevy of insights and knowledge.
2. Make at least one new friend during the course of the year.
3. Join at least one student group.
4. Try to attend as many student events as you can, sports or otherwise, but leave time for homework and test preparation.
5. Washing clothes and keeping your room tidy might seem like a nuisance, but they're good habits for life.
6. Don't think because you didn't do well on one quiz or test that you're ruined academically. The more you believe in yourself the more real it will become.
7. Things that seem like mindbenders when you are a freshman will be as easy as a child's puzzle over time. Fearing the college experience is normal, but by the end of your first year you'll be thinking, "What was I afraid of?"



ERIC G. CREASMAN
(MBA '16)

Couldn't make it to @asu @WPCareySchool graduation so we had a ceremony in Jamaica

JENNIFER M. COOK
(MBA '04)

Love the clever branding! Way to go @WPCareySchool #iamwpcarey Our class was gifted w/ keepsake rings=pride (our idea)!
Inset: One of the tech stickers included in our Spring 2016 issue of W. P. Carey magazine.

DOUG DUCEY (B.S. Finance '86)

Proud to be a @WPCareySchool alum! #GoDevils #SunDevilNation



SUPPLY CHAIN EXCELLENCE

The 30 Under 30 Rising Supply Chain Stars Recognition Program, sponsored by ThomasNet and the Institute for Supply Management, identifies top-performing young professionals in the field. This year, three W. P. Carey alumni are on the list, and one of them was named the brightest star in the group. Amy Georgi (B.S. Supply Chain Management '07), a program manager in supply chain acquisitions and integrations at Fluke Electronics in York, Pennsylvania, is this year's Megawatt winner. Other W. P. Carey alumni among the honorees are Debbi Wan (B.S. Supply Chain Management and Marketing '11, B.A. Sustainability '11), a strategic sourcing manager in global operations at Cisco Systems Inc., and Christian Goehring (MSIM '13), a logistics supply supervisor at Avnet Inc. The program is intended to call out role models who make the case for others in their generation that supply chain is an exciting, viable career path.

"We need to prepare a talent pipeline," says Wan. "With added visibility, I'm certain that more people will see how well supply chain aligns with the core values and interests of the next generation. We desire to contribute to something bigger, have strong tenacity and take an entrepreneurial approach to work." For Goehring, the honor also highlights millennials as major players in shaping the future of business. "Millennials are not afraid to explore new methods and ways of completing tasks," he says. "This kind of 'outside the box' thinking shakes things up, and can provide great value to all organizations." **Nominations for next year's list will open this fall. See 30under30.thomasnet.com/nominate/ for information.**

AT THE CORNER OF ACADEMICS AND INDUSTRY

Nearly 400 senior executives are currently serving as members of the W. P. Carey School's 13 advisory boards. Nicole Garcia, executive director of corporate relations, describes these executives as "professional lifelong learners who are positively impacting their companies" and who have an interest in helping to prepare fresh business talent. "Our advisory board members open a window on industries and professions that are evolving and emerging," she said. "The boards represent an intersection between thought leaders who are creating new knowledge and the companies where change is happening daily." "The E. & J. Gallo Winery is proud to be one of the charter members of the Value Chain Network," says Ernie Chachere, vice president of supply chain and quality. "The membership has provided opportunities to enable more effective talent management and recruiting, providing input into research agendas and direct engagement with faculty supply chain experts. For me personally, the opportunity to network, discover, and learn from my peers has been a great experience." **For more information, contact Nicole Garcia at N.Garcia@asu.edu.**



TEACHING by EXAMPLE

The W. P. Carey School of Business is proud of faculty members for their excellence in teaching and research, and all that they do to advance our culture of collaboration, hard work, and superior performance.

INDUSTRY & UNIVERSITY HONORS

Allan Hernandez
Ph.D. student, Department of Economics
Teaching Excellence Award, Graduate and Professional Student Association at ASU

Andrea Morales
Professor, Department of Marketing
J. Willard & Alice S. Marriott Foundation
Professor of Marketing and Services Leadership, 40 Under 40 Most Outstanding MBA Professors, Poets & Quants

Anne Tsui
Professor Emeritus, Department of Management, 2016 International Association for Chinese Management Research Lifetime Contribution Award

W. P. CAREY FACULTY AWARDS

Each year the W. P. Carey School of Business recognizes faculty who set the standard as scholars in research and teaching at the graduate level.

Bin Gu, *Professor of Supply Chain Management*, Faculty Research Award

Minu Ipe, *Clinical Associate Professor of Marketing*, Outstanding Graduate Teaching Award

Steve Kaplan, *Professor of Accountancy*, Outstanding Professor of Doctoral Programs Award

Zhan (Michael) Shi, *Assistant Professor of Information Systems*, Outstanding Graduate Teaching Award

HUIZINGH UNDERGRADUATE TEACHING AWARDS

The Huizingh Undergraduate Teaching Awards recognize excellence in teaching, inspiring and mentoring students. The annual awards honor professors who have committed their lives to helping students realize their full potential.

John Eaton, *Clinical Professor of Marketing*, Huizingh Outstanding Undergraduate Teacher Award

Detra Montoya, *Clinical Associate Professor of Marketing*, Huizingh Outstanding Undergraduate Service to Students Award

Adegoke Oke, *Associate Professor of Supply Chain Management*, Huizingh Outstanding Undergraduate Teacher Award

THE JOHN W. TEETS AWARDS

Established in 1999, the John W. Teets Outstanding Teaching Award recognizes instructors and graduate assistants chosen by their students as elite members of the academic community.

Phil Drake, *Clinical Professor of Accountancy*, John W. Teets Outstanding Graduate Teaching Award

Kirk Kristofferson, *Assistant Professor of Marketing*, John W. Teets Outstanding Undergraduate Teaching Award

Beth Schinoff, *Ph.D. Student, Management*, John W. Teets Outstanding Undergraduate Teaching Assistant

W. P. CAREY FACULTY HALL OF FAME

The Faculty Hall of Fame was established in 1977 to recognize retired and semi-retired faculty members who have made extraordinary contributions to the advancement of business education and to the W. P. Carey School overall. Following are the 2016 inductees:

Angelo Kinicki, *Professor Emeritus of Management*

Peter Reingen, *Professor Emeritus of Marketing*

Rajiv Sinha, *Professor Emeritus of Marketing* (Posthumous)

Beth Walker, *Professor Emeritus of Marketing*

For more about faculty awards see wpcarey.asu.edu/faculty-research/achievements

BEST. DAY. EVER.

At the 2016 Spring to Success Career Fair, more than 1,100 undergraduate business students – an increase of 200 from the prior year – began shaping their professional futures by meeting representatives of 93 organizations to discuss internships and full-time positions.

1,100+ business students

93 companies

250 career opportunities (2.9 full-time positions and 2.5 internships per company, on average)

200+ on-campus interviews scheduled for the following day

Visit wpcarey.asu.edu/talent to learn more about Spring to Success and other high-impact recruiting opportunities at the W. P. Carey School of Business.



"EVERY TIME I THINK I'VE HIT MY PEAK, THE PASSION AND FASCINATION I HAVE FOR THE FIELD OF SUPPLY CHAIN REMINDS ME THAT THERE IS MORE TO ASPIRE TO – AND A HIGHER ROUTE TO CLIMB."

DEBBI WAN
B.S. Supply Chain Management and Marketing '11, B.A. Sustainability '11

calendar of events

OCTOBER 12 LAWRENCE R. KLEIN AWARD FOR BLUE CHIP FORECAST ACCURACY RECEPTION & PROGRAM
University Club
1 W. 54th St., New York, NY
RSVP at wpcarey.asu.edu/klein

20 HOMECOMING HALL OF FAME RECEPTION
McCord Hall Plaza, ASU's Tempe Campus, 6 to 7:30 p.m.
RSVP at wpcarey.asu.edu/fame

22 ASU HOMECOMING BLOCK PARTY & FOOTBALL GAME
Old Main Lawn and Sun Devil Stadium, ASU's Tempe campus (time TBD), RSVP at wpcarey.asu.edu/homecoming

W. P. Carey alumni connect in San Francisco
Coming soon to San Antonio, Los Angeles, Seattle, Orlando, Denver, New York, Chicago and Shanghai. Stay tuned: wpcarey.asu.edu/events



Share the WEALTH

W. P. Carey alumni are making successful careers in every kind of organization from startups to the Fortune 500; that's a lot of experience! If you would like to share the wealth with a student, W. P. Carey offers opportunities:

Career Discovery

The Career Discovery Mentorship Program connects W. P. Carey and ASU alumni, executives and other professionals with undergraduate (sophomores, juniors and seniors) and graduate business students (MBA and specialized masters) who want to expand and deepen their interests and career opportunities.

Flash Mentoring

Flash Mentoring is a one-time, one-hour mentoring conversation between a professional and a graduate student who is seeking to enhance his or her professional knowledge and network.

Traditional Mentoring

This model connects alumni and undergraduate students for 8-9 months of conversation, goal-setting and career discovery. All undergraduate business students are matched with a professional mentor and are expected to participate in meetings and attaining assigned milestones.

For more information, see wpcmentors.chronus.com/about.

Produce for better health

A team of four W. P. Carey students won the 2016 Produce for Better Health (PBH) Foundation Formula 5 Marketing Competition – a collegiate event offering marketing students the opportunity to influence fruit and vegetable marketing, sales and consumption in the United States.

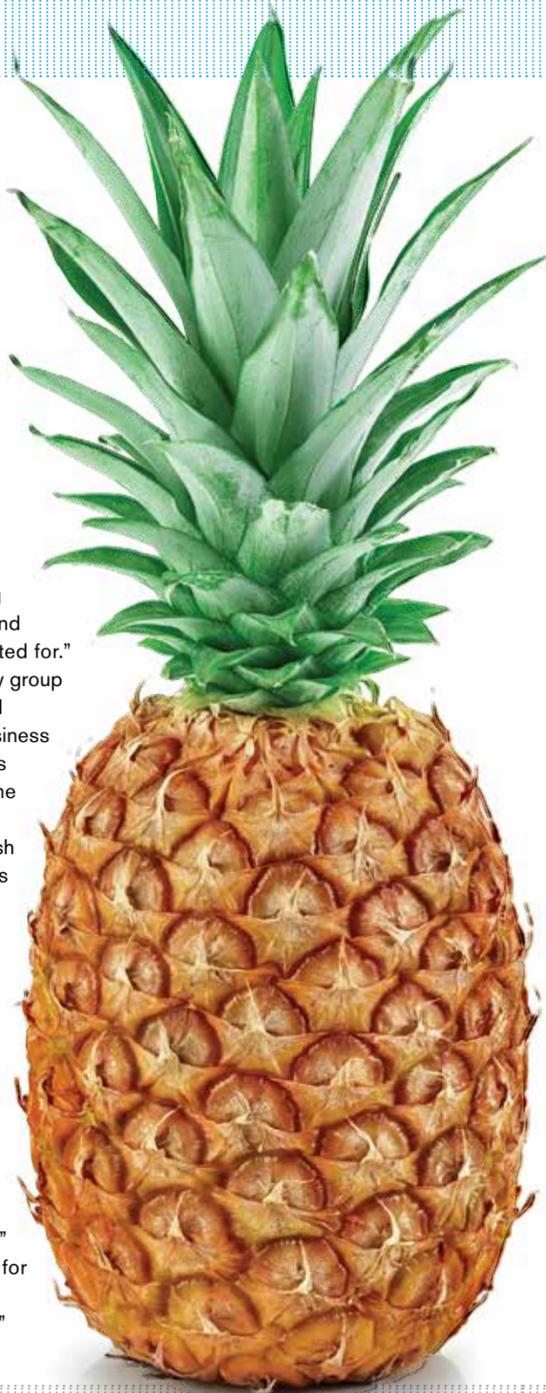
“The competition challenges students to develop a comprehensive marketing plan,” says Renee Hughner, associate professor in the Morrison School of Agribusiness. “It requires an understanding of the nuances of agriculture, such as growing and supply chain issues, in addition to having a solid business and marketing foundation – something our students are perfectly suited for.”

From 29 proposals submitted to the competition, the W. P. Carey group was among six finalists selected for presentation at the annual PBH conference. The team included Logan Rohloff (B.A. Global Agribusiness '16), Colton Hernandez, (B.A. Global Agribusiness '16), and seniors Daisy Solis-Alvarez, (B.A. Food Industry Management) and Katherine Sieverding, (B.S. Marketing). Rohloff represented W. P. Carey before judges from organizations such as Campbell Soup Co., Fresh Del Monte Produce Inc., Dole Food Co. Inc. and Sun-Maid Growers of California, as well as an audience of more than 200 industry executives participating in judging via mobile device.

“The competition was a natural ice breaker that gave industry professionals a reason to spark a conversation with students,”

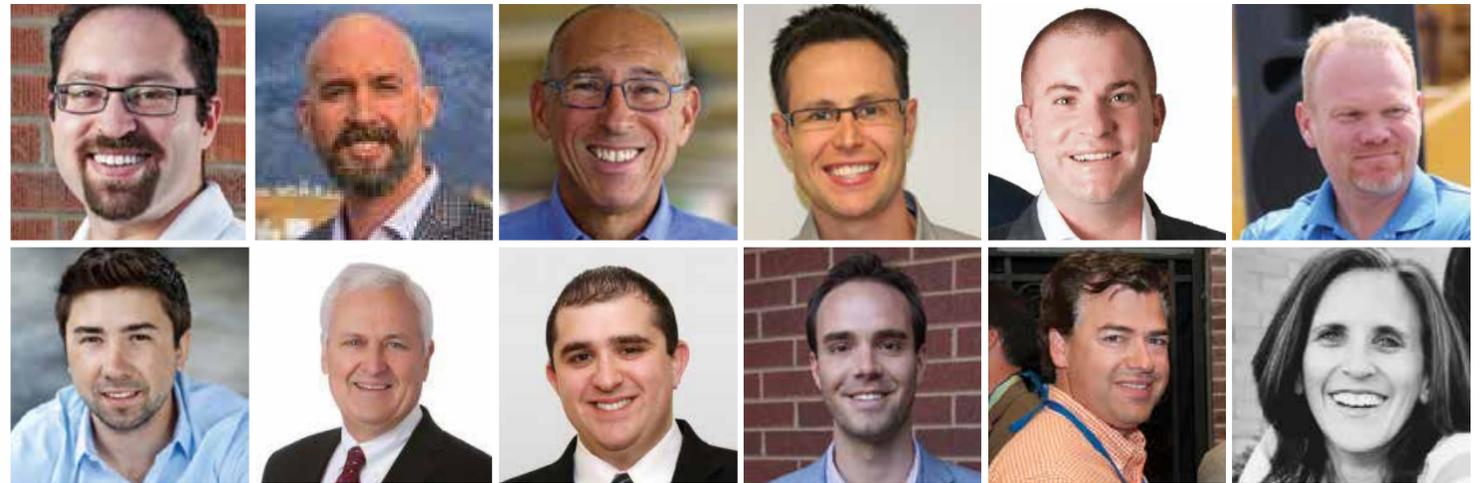
Hughner says. “After the presentation, several people commended the solid marketing plan, as well as Logan’s great speaking style.”

Scheduled social opportunities only added value to the experience. “With sponsors like Sunkist Growers, Nestlé, Earthbound Farms and more, the conference draws major players in produce,” says Hughner, “providing a rare opportunity for students to easily, naturally and comfortably mingle with higher-level industry executives.”



Celebrate

W. P. Carey alumni inducted to the Sun Devil 100 in 2016



Aaron Blau (B.S. Management '01)
President, The Blau Company Ltd.

Adam B. Harrington (BS. Finance '00)
Founder and Managing Principal, Victus Advisors

Burt Rapoport (B.A. Marketing, '71)
President, Rapoport's Restaurant Group Inc.

Cody Sperber (B.S. Finance, '06) CEO,
Clever Investor

David Glanzrock (B.S. Supply Chain Management and Marketing '05) Assistant Vice President, Title365

Jody James Watkins (B.S. Operations and Production Management, '91) CEO, President and Founder, Watkins Landmark Construction

Matthew Michalowski (B.S. Finance '09) President and Owner, PXL Bros

Michael Hawksworth (B.S. Computer Information Systems '79) President, MSS Technologies Inc.

Nathan Policar (B.S. Computer Information Systems '06, MBA '09) President, StatBroadcast Systems

Scott Kaufmann (B.S. Finance and Marketing '02, MRED '09) President, Lucid Agency

Steve Luhrs (B.S. Agribusiness '96) Founder and President, Bionic Pet Products Inc.

Tina Nunziato (B.S. Marketing '96) Owner and Founder, Dr. Liz Cruz

calendar of events

OCTOBER 26 ECONOMIC CLUB OF PHOENIX LUNCHEON
Jason Clemens – Executive Vice President of the Fraser Institute
Westin Kierland Resort & Spa
6902 E. Greenway Parkway,
Scottsdale
11:30 A.M. – 1:30 P.M.
RSVP at wpcarey.asu.edu/ecp

NOVEMBER 10 ECONOMIC CLUB OF PHOENIX LUNCHEON
Tony Sarsam – CEO, Ready Pac Foods, Inc. Hilton Scottsdale Resort & Villas, 6333 N. Scottsdale Rd.
11:30 A.M. – 1:30 P.M.
RSVP at wpcarey.asu.edu/ecp

DECEMBER 5 53RD ANNUAL ECONOMIC FORECAST LUNCHEON
Phoenix Convention Center, North Ballroom
SE corner of 3rd St. and Monroe St.
11:15 A.M. – 1:15 P.M.
RSVP at wpcarey.asu.edu/efl

Events, details, and registration: wpcarey.asu.edu/events

CREAM of the CROP

The Sun Devil 100 celebrates the exceptional achievements of alumni entrepreneurs and business leaders. Last year, the inaugural class brought 17 honorees back to ASU from across the nation, various industries, and diverse leadership teams.

This April, the Sun Devil 100 welcomed 20 new inductees – including 13 alumni of the W. P. Carey School of Business – to connect with one another,

meet with deans, visit classes, and network with budding student entrepreneurs on ASU's Tempe campus.

“The ASU Alumni Association has selected alumni and organizations from across the country that qualify to receive this award,” said Christine K. Wilkinson, president and CEO of the ASU Alumni Association. “These are organizations that demonstrate innovation, growth and entrepreneurial spirit.”

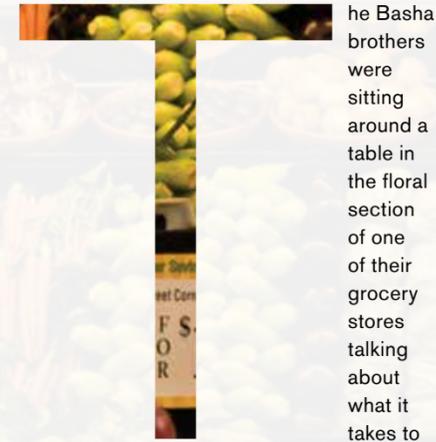


FLAVORFUL
Fresh

READY TO GO
Salads

The Basha brothers: KEEPING IT FRESH

EDWARD "TREY" BASHA III, (MBA '02), **IKE BASHA**, (MBA '98), **DAVID BASHA**, (MBA '02) and **MIKE BASHA**, (MBA '98)



he Basha brothers were sitting around a table in the floral section of one of their grocery stores talking about what it takes to

thrive in their industry, when a silver-haired woman in a neat shirtwaist dress wheeled by with her cart. "That's the most beautiful produce department in any store I've ever been in," she said to them. Clearly pleased, the brothers showered her with thanks as she proceeded to the checkout.

Many observers say that the Bashes' Family of Stores rebounded from Chapter 11 bankruptcy in part because of the loyalty of its customers and the support of its suppliers. Today the company is leaner and more profitable, and though consolidation is sweeping the grocery industry, there's no talk of selling the company. "It's not just a company to the people who work here," said Bashes' spokesman Ashley Shick. "It's a legacy, a family history and a commitment to Arizona to stay localized."

And the family is at the helm: the brothers are the third generation to lead the Bashes' family of grocery stores. Edward "Trey" Basha III, MBA '02, is president and CEO; David Basha, MBA '02, is vice president for real estate; Ike Basha, MBA '98, is senior vice president for strategic initiatives; and Mike Basha, MBA '98, is senior vice president for logistics. Their cousin, Johnny Basha, is senior vice president, special projects.

Arizona's grocer

From the beginning, Bashes' has been a family affair. The first generation were immigrants who came to Arizona and opened a dry goods store. Sons Ike and Eddie Basha Sr. started their own business in 1932, opening the first of what is today a chain of about 115 stores. Eddie Basha Jr. took over in 1968, and before his death in 2013, he became an Arizona icon. A businessman, humanitarian and art collector, he served on the Arizona Board of Regents and ran for governor. Now four of his sons and a nephew guide the company.

"One of the best things about being in business with family is that we collaborate with and trust each other," says Trey. Ike chimes in: "I'd say it's easier to do business as a family, because everybody has a common goal – there are no competing agendas or politics when it comes to the family's outlook and our focus."

That sense of family, and the family's bedrock of fairness and honesty, infuses the business. The people who work at Bashes' are "members," not employees. The brothers go so far as to say they are extended family.

"We've always been very egalitarian," explains Trey. "For example, Basha family members have the same medical benefits that a full-time clerk has. That's something that Eddie started, and we really have tried to blur the lines between management and labor. We all have a job to do, but ultimately we all work for the customers that come through the door. We understand that."

This family-centered culture, they say, is their competitive advantage.

The razor's edge

The Bashes' chain operates in one of the top two most competitive grocery markets in the country, according to Trey. The other is Dallas. At one time metropolitan Phoenix hosted nine major chains, he added. In most other cities two or three big players and an assortment of

independents vie for the grocery dollar. Today, the other major players in Phoenix are Fry's Food & Drug Stores Inc., Albertsons-Safeway Companies Inc. and the juggernaut Wal-Mart Stores Inc., as well as an assortment of specialty and natural foods markets like Whole Foods Market Inc., Sprouts Farmers Market and Trader Joe's. Target Corp. has added groceries to its footprint, and grocery items can be found in drug and office supply stores – even The Home Depot. So how does a local chain compete?

"It's incredibly difficult, there are no two ways about it," says Ike. "I think our culture helps us – that commitment to our fellow members is at a higher level than our competition." Trey adds, "Everybody likes a personal experience, but if we have to own something, it's customer service."

He might also have said that Bashes' had a head start on differentiation in an industry where chains must either "go big or go niche." The 49 Bashes' Supermarkets around Arizona represent the traditional grocery format, but there are three others under the Bashes' Family of Stores umbrella, each tailored to a well-defined market. The 46 Food City locations focus on the Hispanic community, 11 AJ's Fine Foods stores cater to the gourmet market and 10 Bashes' Diné Markets serve the Native American communities around the state.

Another differentiator, and a "saving grace," was the distribution center in Chandler. In the early years a number of chains were using third-party suppliers, Trey explains. Lacking that wholesale advantage, none of them survived. Today, the distribution center continues to be a big contributor to the company's success.

Mike directs the center, an around-the-

"Everybody likes a personal experience, but if we have to own something, it's customer service."

clock operation. He continues to find ways to streamline processes while ensuring that the right products get to the right stores every day. This allows the grocer to be quick on its feet. Orders placed by stores in the morning are filled that day – something very important to customers who follow what’s on sale.

The best offense

Upon emerging from Chapter 11 four years ago, the company was faced with aging stores and few opportunities to build. “It was really important for us to start updating our stores,” says David. He’s leading a remodeling initiative that will see one-third to one-half of all Bashas’ and Food City stores refreshed by the end of this year.

Just one mile south of a new Fry’s and a new Sprouts, the store at Chandler Heights and Gilbert roads is a case in point for the remodeling program.

“We’re doing this offensively and defensively – and because it’s time,” says Trey. The stores that have been updated are already making an impact.

“It’s been very beneficial – we’ve seen some great increases in sales – new faces, new customers,” David says. “And we’ve seen morale increase. When our members see us putting money back into the stores it shows we’re here to stay.”

Trey says the company is using demographic and psychographic data to determine the work to be done at each store. These are not cosmetic face lifts. “We marry those two data points and come up with a remodeling and remerchandising plan that’s customized for each and every store,” he says. Even the advertising is tailored.



That reliance on data is nothing new to the industry, Trey says. “The grocery business isn’t considered sexy, but we were concerned with logistics before UPS knew what logistics was,” he says. “We’re always on the forefront of technology. We were the early adopters of credit and debit cards. Any technology that’s out there – we look at it and we use it if we can. We’re in the pennies business, so anything that we can do better, faster, cheaper – we’re looking at it.”

Selling in the perimeter

Because grocery is in the retail sector, it goes without saying that the industry is experiencing change. So what will supermarkets look like in five years or so?

“It’s hard to say with all of the interruption, especially from online,” says Trey.

The center of the store is becoming a commodity business, he said, and he expects the square footage to shrink. “The pressure is on to buy consumer packaged products in larger quantities, to get the discounts,” he said. That trend favors big box stores like Costco Wholesale Corp., and Amazon.com Inc., with its automated ordering and home delivery. Bashas’ and other supermarkets will find a different model.

He thinks future grocery stores will be

smaller, consisting primarily of the departments that now occupy the perimeter – the deli, bakery, meat and produce departments. And stores will balance two opposing trends: the emergence of foodies who want fresh ingredients, and the young people who are either not interested in cooking, don’t have the time to cook or don’t know how to cook. That will probably mean more freshly prepared foods and meals, similar to the chef-prepared entrees that give AJ’s Fine Foods its cachet. Convenience may also come in the form of ready-to-cook packages that include a recipe and measured ingredients. Moving into services, grocery stores might even begin to offer cooking lessons.

The brothers were getting ready to head out for the day when Shick gathered them for a photo. They lined up in front of buckets of bouquets with store Director Jamie Mathis, who was approaching the 28th anniversary of his employment with the company. There were smiles and laughter all around as Shick snapped the shot.

Whatever the future brings, the Bashas – including their extended family members – are determined to be in the business. “Each generation we’re working to make it better,” Trey says. “The last thing we’re going to say is, ‘We’re there – we’re satisfied.’ Never.”

Supply chains are closing the distance from farm to table *By Jane Larson*

LOCAL FLAVOR

“One of the best things about being in business with family is that we collaborate with and trust each other,” says Trey. Ike chimes in: “I’d say it’s easier to do business as a family, because everybody has a common goal – there are no competing agendas or politics when it comes to the family’s outlook and our focus.”

“Keeping your dollars local is always a plus. We produce it here, it’s processed here, we provide local jobs and sell it, and those dollars come right back to the state of Arizona.”

STEVE SOSSAMAN
Owner, Sossaman Farms
B.S. Agriculture, '78



illed from heritage grains grown on a Queen Creek farm, Hayden Flour Mills' products easily fit the popular image of local foods: Fresh food grown nearby, named after a piece of local history and trucked short distances to grocery stores, restaurants and microbreweries eager for distinctive flavors and new foods.

And it doesn't hurt the four-year-old company that hundreds of chefs from New York to San Francisco regularly order its flour, or that

consumers young and old pay a premium for food crafted at some point by human hands.

"It's a little easier to grow in an area where people do want the product," says Steve Sossaman (B.S. Agriculture '78), owner of grain grower Sossaman Farms. "A lot of the chefs that do order from us do promote local, and they feel that their clientele appreciate that ... Whole Foods, Sprouts lean toward more of the local, nutritious, organic thing, and their clientele appreciate it. So it's that market niche that makes sense."

Consumers believe local is better

Suppliers, retailers, researchers and industry experts agree that consumers are demanding more locally produced foods, and they are doing so for a host of reasons. Consumers often perceive that local foods are safer, fresher and of better quality than foods from other regions or countries. They believe in supporting local businesses and keeping dollars in their local economy. And they feel they are helping the environment by doing their part to reduce long distance transportation of food.

Consumers' purchases at classic farm stands and farmers' markets, however, seem to have plateaued. Such direct-to-consumer food sales jumped 32 percent between 2002 and 2007, but were flat between 2007 and 2012, the U.S. Department of Agriculture reported in 2015. Professor of Agribusiness Tim Richards says direct channels are limited because many consumers do not have access to them and because vendors cannot sell in big quantities, nor do vendors have access to capital to expand.

"Total sales of local foods, however, are growing rapidly due to the important role retailers are playing in selling local," Richards says.

Indeed, more grocery chains are seeking to both meet consumers' demand for local foods and to tout the chains' support of local growers and producers.

"If there's a demand for it, they'll get it in the stores, and they know there's a demand to buy local, especially in foods and produce," says Tim McCabe, president of the Arizona Food Marketing Alliance, a food industry trade association. "And I think the retailers want to make an impression on the consumer that they do buy local, or they do look locally and support people locally, especially if you're a national chain."

McCabe says the local food trend started taking off five to 10 years ago as consumers increased demand for organic products, especially in produce. Though organic products are not necessarily local, federal requirements that labels inform consumers about a product's country of origin have

helped raise awareness of what is local and what is not, he says.

The local agriculture industry's "Arizona Grown" initiative, for example, has succeeded in getting many grocery shoppers to recognize the campaign's orange labels on their spinach, carrots and other produce, and to put higher values on them.

"Anytime you put the brand on anything, you find consumers are willing to pay a higher price because of that implicit promise of quality," says Associate Professor of Agribusiness Renee Shaw Hughner, who helped study the "Arizona Grown" campaign. The top reason consumers bought "Arizona Grown" foods, the research indicated, was that they believed the local foods would taste better than even organic foods grown farther away.

Besides the factors of freshness, environmental concerns and local economic support, consumers like the opportunity to build personal relationships with hometown producers and with entrepreneurial businesses that help create local products.

"Keeping your dollars local is always a plus. We produce it here, it's processed here, we provide local jobs and sell it, and those dollars come right back to the state of Arizona," grower Sossaman says. "And you can have a social media relationship with the farmer, the processor ... That's another part of this that I find personally fun, exciting. I get to connect with something much larger than myself, with the food industry, the foodies."

Suppliers, retailers respond to demand

Whether consumers are millennials buying Apple iPhones or Starbucks coffee, or baby boomers enjoying their higher incomes, people are willing to spend more for higher quality products. Professor of Supply Chain Management Elliot Rabinovich, co-director of the Internet-Edge Supply Chain Lab at the W. P. Carey School of Business, has studied an East Coast online grocer, Relay Foods, with a business model that has allowed consumers to order local products online for delivery direct to consumers. "Because these are not your typical



TOP: BEN BUTLER is the master miller at Hayden Flour Mills. **BELOW,** Heritage and ancient grains grown at Sossaman Farms: from left, buckwheat, heritage oats, hard white wheat, amaranth, emmer farro, white Sonoran wheat and black barley.



products – they are specialty, organic, hand-crafted types of food – the type of customer that buys from Relay Foods is going to be willing to pay a premium,” Rabinovich says.

By selling to a niche market, rather than to consumers who buy groceries at warehouse clubs or dollar stores, sellers can command higher margins on local foods than on non-local foods.

Buyers of local foods also tend to spend more during their grocery shopping trips, Rabinovich says – due to the higher prices of local foods, but also because an important fraction of

“Consumers like the opportunity to build personal relationships with hometown producers and with entrepreneurial businesses that help create local products.”

those buyers find one-stop shopping more convenient. While some buyers are “stock-up” consumers, buying a range of items for the week, others are “top-off” consumers, who buy in small quantities or for special occasions.

The higher prices for local foods are also a function of limited supply and rising demand, Richards of the Morrison School of Agribusiness says. Limited supplies give high quality growers and suppliers an edge in negotiating, though they still need to ship consistent quantities of high quality produce to keep their contracts with retailers. As supplies rise, he sees buyers gaining more of a negotiating edge, but local foods will always carry a premium because the cost of producing and selling them is higher.

The local foods trend is entering mainstream retailers in full force, Hughner says, especially because consumers tend to choose their grocery store based on its produce,

meat and other perishable items. The additional spending that comes with local foods catches the attention of mainstream retailers, who also sell local foods to differentiate themselves and gain market share.

The local economic effect is important to retailers, too, McCabe says. “They always wanted to support their community, but several times in the past there wasn’t the availability” of products that met retailers’ higher standards, he says. “They want a certain product and they just couldn’t get it locally, or they couldn’t get enough of it locally.”

As local growers have geared up to meet demand, products are more readily available, McCabe says. Local products are also easier and less expensive to ship, and spend less time in storage, than products from other regions or countries.

But retailers also face potential drawbacks in selling local foods. Local products might cannibalize sales of products from elsewhere. Competitors might cut prices to take back market share. Wholesale prices can run higher, and the logistics of sourcing small quantities from multiple suppliers can be more complicated.

Availability, Richards says, is the biggest problem with local foods. National retailers might have to use 20 sources to supply 10 stores instead of using one supplier for 200 stores, creating big logistical problems.

Hayden Flour Mills and Sossaman Farms have ramped up to meet demand. The farm started out growing three varieties of grain on 30 of its 800 acres, including the White Sonora wheat well-suited to a hot, dry climate and first brought to Arizona by missionary Eusebio Kino. The crop is now up to eight wheat and barley varieties, and acreage has doubled each year, Sossaman said, fitting easily into the crop rotation with his major crop of alfalfa.

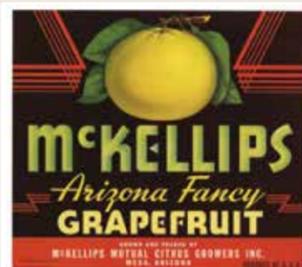
The milling company grinds the grains with a stone mill whose lower heat levels maintain the grains’ nutrients better than modern industrial processing. As

demand grew, Hayden Flour Mills moved out of its urban Phoenix location and is leasing bigger quarters at Sossaman Farms. Sossaman is even constructing a five-times-bigger building to house the mill, baking classes and future shop, restaurant and pasta manufacturing facilities. Hayden Flour Mills’ goal is to produce

one million pounds of heritage grains a year, Sossaman says, and the company is already halfway there.

Sossaman acknowledges some difficulties with producing specialty foods in small quantities. Hayden Flour Mills has learned to sell only to stores with quick turnover, lest a product past

its expiration date leads to unhappy consumers and damage to the company’s reputation. Just as the food alliance’s McCabe emphasizes availability’s importance to retailers, Sossaman says small suppliers must gear up when media attention drives a surge in orders.



IN SEASON: The winter produce supply chain

Once upon a time, the only fresh fruits and vegetables we ate were the ones in season for our region. If you lived on the Upper West Side of Manhattan for example, that would mean produce like lettuce, tomatoes and raspberries were available from about May through September. Other than a pumpkin in November, and a few other select items, you’d be hard pressed to find any good produce through the winter months.

But the business of agriculture has changed all that, supported by a dynamic supply chain that stretches 3,000 miles all the way to Sinaloa in western Mexico.

“Produce staples are now year-round,” says Associate Professor of Supply Chain Management Arnold Maltz. “But just think what it takes to keep those produce aisles filled.”

Nick Gatzionis (B.S. Agricultural Finance ’08, M.S. Agriculture ’10), whose family has been in the business of providing winter tomatoes, bell peppers and cucumbers to the northern regions of the United States since the 1930s, knows exactly what it takes.

“Total shelf life is about two weeks,” says Gatzionis. “It takes two days to harvest and load, then another four days to reach New York City in time to give grocers a week to sell it before it all goes bad.”

Making this happen requires a continuous cold storage chain, from the packing shed beside the fields, to refrigerated trucks, to temperature-controlled warehouses often with enclosed docks, all the way to the grocer in your neighborhood.

“The second our produce starts growing is the second it starts to depreciate in value,” Gatzionis says, meaning speed and efficiency are at a premium.

It’s not magic, but making warm-weather produce appear in markets throughout the winter months is highly challenging. Regulations are another formidable obstacle. The Food and Drug Administration requires complete traceability all the way back to the field in which a particular crop was grown, in case contaminants like salmonella are identified and must be contained. According to Gatzionis, Mexican

growers are required to provide even more documentation for their produce than their U.S. counterparts.

Other regulations seem less necessary, and can be more disruptive. One example is the requirement that most drivers be replaced at the U.S. border, along with the power unit that is hauling the load. This inefficiency was supposed to have been eliminated by the North America Free Trade Agreement, according to Maltz, but nevertheless persists today.

This is especially problematic because the industry is facing an enormous shortage of long-haul drivers. “We need 60,000 more drivers,” says Gatzionis, “the older guys are retiring and younger people don’t want to do it.” Even pay hikes of about 15 percent or more in the last two years haven’t helped much with recruiting drivers, Maltz notes.

Another major challenge for growers like Gatzionis is anticipating demand. Sinaloa tomato growers compete with growers in Florida in supplying the Midwest and Northeast. Weather, pricing and availability in Florida can all impact demand at the Arizona border.

Gatzionis recounts how two years ago tomatoes were in such oversupply that there weren’t nearly enough buyers. “Soon the food banks were full, and certain growers couldn’t even give them away. Thousands of pounds were dumped,” he says. “One company installed grinders so they could send it directly into the sewage system, and there was so much they had issues with the water treatment plant.”

Gatzionis’ company, C.A.B. Produce LLC, hedges its risk by selling about 30 percent in advance on contract to large retailers like Wal-Mart Stores Inc., the Kroger Company and Subway to cover costs. Retailers generally mark up their produce 200 percent, but growers have little leverage to benefit from such margins.

“It’s a buyer-driven supply chain,” says Maltz, “because there’s so much competition among suppliers. This is true with produce all over the world.”

Supplying produce north of the border is a complex, time-sensitive business. But it’s also a big dollar enterprise. Maltz says that between \$1.5 and \$1.7 billion worth of product annually passes through the main port of entry for Mexican produce at Nogales. He cites U.S. census data, which reports that four of the top 25 commodities imported into Arizona are fresh produce, including tomatoes, bell peppers and cucumbers. To streamline the entry process, Nogales recently opened a state-of-the-art port facility, which is “fantastic,” according to Gatzionis.

Mexico has been improving its infrastructure as well, Maltz reports, significantly upgrading roads running east from Sinaloa. This has led to a 15 percent increase in produce crossing the southern border through the Texas ports of Laredo and Hidalgo over the last five years. “Now that the roads are improved inside Mexico, it’s a viable route to the Northeast and Midwest.”

Another industry trend is the increase in organic growing. But while organic produce brings a premium price in the stores, the demand for it isn’t strong enough yet to attract C.A.B. Produce. “In due time, we’ll probably have to get into it,” says Gatzionis, “but right now a lot of the organic producers sell part of their produce conventional, as non-organic, because market share isn’t there yet.”

Even as the industry evolves, this unique supply chain is likely to continue to thrive. “Demand has been there for 60 years,” says Maltz, “and it’s going strong.”

Delivering the goods in new ways

Logistics plays an important role in the supply chain, especially because “local” might not be as close as consumers think. The Food, Conservation, and Energy Act of 2008 defines local or regional products as those produced within a state’s boundaries or whose total distance from source to consumer is less than 400 miles.

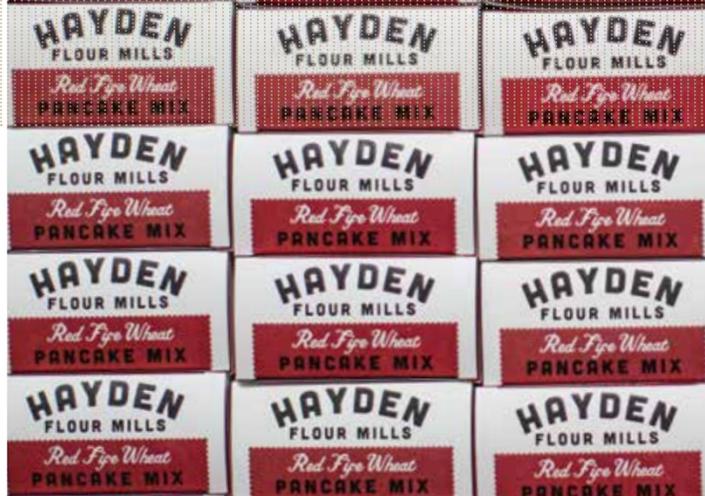
Third parties like States Logistics Services, which has operations in Arizona and California, focus on linking local food manufacturers to retailers and providing the warehousing and transportation options that the smaller firms would be hard-pressed to do on their own, says Jim Kallof (B.S. Marketing ’77), business development manager for States Logistics.

States Logistics responded to the local foods trend 10 years ago by adding a division that wraps and labels producers’ local items, enhancing packaging to give the products better play on retailers’ shelves. Manufacturers also don’t have to ship foods hundreds of miles away for packaging, a move that Kallof says helps reduce the carbon footprint of transporting local foods.

The logistics company also consolidates deliveries from multiple small suppliers, making one trip to a retailer’s dock instead of many trips. Consolidation reduces the number of truck deliveries, scheduled delivery times help make operations more efficient and full loads improve handling efficiencies and reduce damage to products, Kallof says.

Kallof agrees that the local food trend is growing, because the numbers of organic and local stock-keeping units, or SKUs, he sees at major national food shows continue to rise. In Arizona, there is more room for foods and producers.

“Everyone is always trying to bring in new foods locally, but a lot of that depends, too, on the number of companies moving to the Phoenix metro area for production and manufacturing,” Kallof says. “I don’t think we’ve got as many as we’d really like to have, but every so often



a new one moves into town from California and other states.”

Still unsolved: food deserts and waste

For all its progress, the local food movement has big challenges to resolve. One is the existence of food deserts – neighborhoods that lack mainstream grocers and are dominated by convenience stores and mom-and-pop shops.

Contrary to popular belief, Hughner says, various studies have found that the cost of local foods does not deter consumers in food deserts from buying them. Rather, the problem is that small stores lack the refrigeration and other infrastructure needed to keep such foods fresh. On top of that, transporting small volumes to multiple small stores in sparsely populated areas can be too expensive to be profitable.

Another challenge is the vast amount of perishable foods wasted throughout the supply chain, especially by consumers. Americans throw out about 25 percent of the food and

beverages they buy, and the largest shares are fruits and vegetables, according to the Natural Resources Defense Council. It recommends that consumers start planning and shopping more wisely, understand expiration dates and buy more imperfect yet still-healthy produce.

Food waste also can increase as more big retailers shift away from a vendor-managed inventory model, in which the retailer takes ownership of products upon delivery, and increasingly adopt a new model called scan-based trading. Under the SBT model, suppliers own their products’ inventory, even as it sits on a retailer’s shelf, until a cashier scans the product and sells it to a consumer.

The model is attractive to small suppliers in particular because it offers access to real-time sales and inventory information and to quicker payments. But it also reduces retailers’ incentive to ensure that items remain undamaged and sell before their expiration dates.

“The supply chain involves a number of entities, from suppliers,

manufacturers, third-party distributors and retailers until it reaches consumers. So there are a lot of hands that the product or ingredient has to go through,” says Min Choi, a Ph.D. candidate in the Department of Supply Chain Management at W. P. Carey. “If some contracts decouple ownership from responsibility, or ownership from management ... retailers won’t care much ... It’s not their loss.”

Choi’s research into perishable bakery items sold at four major supermarket chains indicated that the share of damaged and expired products increased 2.5 percent under scan-based trading compared to vendor-managed inventory. Her research did not specifically focus on local foods, but given that popular local foods include perishables like fresh produce and bakery goods with few preservatives, she suggests that local suppliers consider the reputational and financial risks of increased waste when deciding which type of contract to sign.

On a positive note, Hughner found that consumers who joined community-supported agriculture, or CSA, programs felt guilty if they wasted local foods. Members pay to belong to such programs and get weekly boxes from local growers of whatever fruits and vegetables are in season. Her research showed that besides easing guilt, consumption of produce greatly increased when consumers obtained it from their CSA program.

The future of local foods

The local food movement won’t fade anytime soon, experts agree.

Though growers must deal with their geographical constraints, Sossaman says he would like to see growers in other parts of the country raise their own heritage grains and set up their own local food hubs. However, they face the expense and subsequent risk of building mills to process the product.

Logistics professional Kaloff thinks the entry of chains like Sprouts Farmers Markets and Vitamin Cottage Natural Food Markets Inc. into metro Phoenix’s already competitive grocery

market will help local food producers, because they will have more chains that can carry their products. For their part, he says, local producers must innovate and add to their product lines to keep consumers interested.

Professor Rabinovich sees local foods, subject as they are to factors such as weather and seasonality, remaining a niche market that will not displace other produce at large retailers. Nor does he see retailers displacing farmers’ markets, where consumers and suppliers can make personal, face-to-face connections.

He does think local suppliers are a good fit for consumers who want to order foods online. Farmers’ markets can’t scale significantly, and grocery chains, even if they wanted to take the risk, can’t stock everything.

“You don’t have those shelf-space limitations on the Web,” he says. “The other thing that’s different is the way order fulfillment works in an online environment. You have the luxury as a retailer to not have to stock the inventory if you don’t want to. You can usually pick it up the day of the order, versus a retailer who usually has to have the inventory available on the shelves when consumers show up.”

The Morrison School’s Richards thinks online is the future for local and all other foods, because it allows consumers to use one portal to order a customized mix of foods, and it helps retailers source from large numbers of small growers and producers. “The combination of low search costs and high variety,” he says, “will mean higher food prices paid willingly by happier consumers.”

The food alliance’s McCabe sees the local food trend getting stronger as more consumers focus on nutrition, ingredients and freshness. When local growers and suppliers gear up to ensure the right products are available, they will benefit from being close to buyers and shipping short distances. He doesn’t agree that consumers will do all their grocery shopping online. “Although more and more are doing that, we find that when it comes to things like meat or fruits and vegetables, people like to touch it,” he says.

Consumers, the future is back in your hands. ■

Food for thought: Marketers gain from consumer angst

Analysts calculate the United States’ weight loss industry to be worth some \$60 billion. If you’re marketing to the 70 percent of U.S. residents who carry surplus bulk, you might think providing low-calorie food and healthy information will surely help consumers conquer corpulence. But, eating behavior is more complicated than calorie counting and simple restraint. Here’s a quick look at some of the lessons three researchers from the W. P. Carey School of Business have uncovered.

Dieters think differently

Consider the 100-calorie snack pack. According to marketing professors Andrea Morales and Naomi Mandel, if you purchased those for weight loss, it probably backfired. These professors conducted an experiment where they gave people snacks in varying size bags to nibble on while answering a survey.

As Mandel explains, “The non-dieters did what you would expect: they ate more from bigger packages and less from smaller packages. Dieters do the opposite. They eat more from small packages, actually going back and opening more packages.”

Why do they do that? Mandel says she and Morales concluded that dieters interpret the small packages as diet food, so it’s OK to eat plenty of it. She also says that dieters are “constantly trying to monitor their weight, so they’ve sort of lost their natural impulses that tell you when to stop eating.” Non-dieters, however, quit when hunger goes away.

In another experiment, Mandel and Morales found that dieters rebelled against health-related messages. The scholars told study participants that they were taking handwriting tests in which participants answered a short survey and wrote sentences supplied by the marketing professors. Then, the researchers asked the study participants to evaluate snacks, so

the study group watched a movie clip and ate cookies.

“We were secretly measuring how much they ate,” Mandel says. “Dieters who wrote down the message ‘All sugary snacks are bad’ ate more than dieters who wrote down ‘All sugary snacks are good.’ For non-dieters, there was no effect.” Morales explains that the condemnation of sweets “made them more appealing and activated a compulsion to eat the sugary snacks.”

Eating out

For yet another study, Morales examined whether choices made by the person in front of you at a fast food venue might impact what you choose yourself. “What we found is that the degree to which you anchor on what that other person has chosen is highly dependent on the body type of that individual,” Morales explains. “If they’re really heavy, you tend not to do what they do. If they’re skinny, you may use that as an excuse to eat more ... or less. The most dangerous person to have lunch with is a really skinny friend who eats a lot.”

Carola Grebitus, an agribusiness professor, had a different result with people who were eating together. After watching and surveying diners in an on-campus cafeteria, she observed that, “If you are eating something that we would probably consider rather unhealthy – like pizza and pop – and you are eating in a group with at least one obese individual, you will eat even more. Your calorie intake will be even higher,” she notes.

In the same cafeteria study, Grebitus asked whether people noticed the nutritional information associated with foods on the cafeteria menu boards. Nearly half did and, of those, 56 percent used that information in making wiser food choices. Grebitus adds that she

didn’t ask this, but might in a follow-up study: “When you looked at the nutrition information, why did you not use it?”

Cooties curb appetite, but death and multi-tasking are fattening

In other research, Morales found that when chocolate chip cookies touched the box of a feminine hygiene product on a store shelf, shoppers found the cookies far less appealing. Yet another study indicated that, “The busier you are, the lower your ability to assert self-control,” Morales says.

Meanwhile, Mandel got people thinking about negative events – either a painful medical procedure or death itself. In multiple experiments, the people who were asked to write a brief essay about death were more inclined to buy or eat greater amounts than those who didn’t have to think about their end of days. She calls this “compensatory consumption,” something we do to escape the negative feelings we often have when we consider our own demise and question how well we’ve lived or will be remembered.

All of this research leaves this trio convinced that eating behavior is complicated. “A person’s weight is determined by more than just willpower. There are so many factors lurking below the surface that are both psychological and physiological,” Mandel says.

Grebitus echoes that view and adds a note of compassion: “We want everyone to make healthy food choices, but it is so complex, we just need to give people credit for trying,” she says.





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SPEAKERS



JAMES BULLARD
President and CEO
Federal Reserve Bank
of St. Louis



ANTHONY CHAN
Chief Economist
Chase



LEE MCPHETERS
Research Professor of Economics
W. P. Carey
School of Business

Director
JPMorgan Chase
Economic Outlook Center



DAVID WETTA
(B.S. Business, '80) stands
outside Postino Annex
near Sun Devil Stadium.
His development company
renovated the historic
building, now a popular
destination.

A diverse palate

Succeeding in the restaurant industry

By Teresa Esquivel

The more than one million restaurants in the United States generate a total of almost \$800 billion in sales each year, according to the National Restaurant Association. It's big business, and it's an industry that has to adapt quickly to ever-changing consumer preferences. To get a closer look at current trends and what it takes to flourish, we caught up with several W. P. Carey School of Business alumni who understand that there is more on the menu than kitchens and behind-the-scenes details at thriving restaurants across the country.

Playing it cool

In any conversation about trends, one word is sure to pop up: millennials. Millennials, 75.4 million of them

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between the ages of 18 to 34, are impacting nearly every industry, including restaurants.

Experts say that these young adults saw the impact the recession had on everyone around them, and now that they've come into their own, are doing things a little differently than their parents and grandparents. Experiences, for example, hold more value to them than material goods. The quest to socialize and gather experiences, coupled with the ability to communicate on multiple platforms from their phones, has made sharing a visit to a "cool" place a form of social capital.

"Cool places that are interesting, engaging, desirable and well-designed are sought after," says Mark Stapp, director of the Master of Real Estate Development program at the W. P. Carey School of Business. "Restaurants have become a nexus for social interaction and gathering. And the space and the food are not mutually exclusive. Restaurants have to curate an experience. We use the words 'authentic', 'contextual', 'quality' and 'local' to define interesting places."

A prime example of this is Taco Guild in Phoenix. While the margaritas and guacamole served there are tasty, it's the building – a former Methodist church built in 1948 – that makes it a special gathering spot for diners of all ages.

"It's very satisfying to watch the look on people's faces when they walk in for the first time," says David Wetta (B.S. Business '80), founder of Wetta Ventures. "Their eyes get big and their heads roll from one end of the building to the other. The space leaves you moved in a special way."

Wetta, a real estate developer specializing in small-scale and in-fill sites, purchased the acre-and-a-half parcel of land and completed the infrastructure work on the church and one of the remaining school buildings in preparation for tenants who would complete the build-out and interior design.

"When we first put the church on the market for lease, there wasn't a lot of interest. The mid-town submarket and an old church building left most local operators, let's just say unmoved," Wetta says. "It hadn't been done before and they didn't know what to make of it. Then the Taco Guild guys walked in and said, 'This is it, this is what we've been looking for.' Now everybody wants one. But the beauty of it is there's only one in the Phoenix metro."

But that doesn't mean it's the end of the world. As Wetta points out, adaptive reuse or renovation of old buildings is not the only way to

BURT RAPOPORT (B.A. Marketing, '71), **president of Rapoport's Restaurant Group, plans to open his fifth concept this fall.**



create a sense of place. On the same property, there's a Starbucks housed in what looks like a drive-through bank built in the middle of the last century. But it only looks that way; it was constructed in 2013.

"You can create a special sense of place and create an experience for people by simply executing thoughtful design and development," Wetta says. "It's more expensive and takes more time, and requires a lot of patience, but as a restaurant developer you need to provide something more

than a building, a patio and parking spaces. My role is to find the locations and buildings, renovations or new construction that provide the opportunity for restaurant operators to express their creativity in special ways for the benefit of their customer and employees."

Seasoned veteran

Even established restaurants evolve to suit the current climate. Consider Macayo's Mexican Kitchen, which celebrates its 70th anniversary this fall.

"My dad started the restaurant in 1946, then I ran it for about 40 years," says Steve Johnson (B.A. Business, '72), who opened the family's first Scottsdale location while still a student at ASU. "We've served a lot of meals over the years and we're proud of it. We have a lot of people who have eaten at our restaurants for years and if you change their food they get very upset. It's a very fine line when you're trying to update your menu and not disappoint the customers who have been coming for a long time. But it can be done."

Over the years, the traditional Mexican menu has been tweaked to include heart-healthy items and, more recently, dishes with a spicy kick to meet changing consumer tastes. Also new is a test kitchen for developing new recipes and a tequila program at the Shea and Mesa locations.

Some of the biggest changes involve the restaurants themselves. There are now a total of 12 in Arizona, as well as two in Nevada, but beyond expanding the brand, the family has had to continually update the dining spaces.

"You have to bring a restaurant to life every seven to eight years to be able to keep it going. You just have to keep pumping blood into it," Johnson says. Bit by bit, the restaurants are changing, from the interior design to the employee uniforms to the background music.

"We found that 80 percent of the people order 20 percent of the items. So those 80 percent, that's our core group, and those 20 percent of items will never change."

Perhaps the biggest change is that the trademark Aztec-inspired building on Central Avenue in Phoenix is being torn down. Multi-family housing will go up in its place, and the restaurant will move just to the south, transforming a former garage into an energetic space inspired by Woody Johnson's original 1946 restaurant.

"It was a tough decision because we've been in that building for so long," says Sharisse Johnson, Steve's sister and CEO of Macayo's. "But we

decided to take a look at what it's going to take to be around for the next 70 years and continue to be like the company my dad started."

Mixed plate

Burt Rapoport (B.A. Marketing, '71) also juggles multiple locations as president of Rapoport's Restaurant Group in Boca Raton, Florida. He currently operates four restaurants – Deck 84, Burt & Max's, Bogart's Bar & Grille and Henry's – with a fifth, Rappy's Deli, opening this fall.

After a long day of managing employees, revenue, expenses, sales, purchasing and other administrative issues, Rapoport and his wife visit two of the group's restaurants at least five nights a week, "sometimes six, sometimes seven," he says.

But this is nothing new for someone who lived above and worked at the Manhattan restaurant his grandfather opened in 1923. He's a lifer, and he knows what it takes to make it in an often fickle industry.

"I've found over time that the most successful restaurants are those that appeal to the broadest base," he says. "Restaurants don't necessarily have to fit into trends, but most restaurants have to evolve to stay alive."

For this company, that has meant buying a truck for home and office delivery, and adding gluten-free and vegan items to the menus.

"We found out that 80 percent of the people order 20 percent of the items," he says. "So those 80 percent, that's our core group, and those 20 percent of items will never change. They'll stay on the menu indefinitely. But the other parts of the menu are where we experiment with things and move things in and out and see what hits and what doesn't hit."

Although Rapoport sees local sourcing and sustainability as the top trend in the industry, for his group of restaurants it is more of a standard than a novelty. The group helped the Florida Department of Agriculture and Consumer Services roll out its "Fresh From Florida" restaurant program, which supports the use of local produce and seafood on menus, and it's a program it is committed to for the long haul.

He is, however, making changes to attract what he calls the No. 1 target diner: millennials.

"They are the largest group that eats out right now," notes Rapoport. "The trend toward small plates with big flavors is driven by millennials, and there's a huge push toward craft beers

and craft cocktails. We're doing some of this in some of the restaurants to help bring in a younger demographic."

Large party

Acting on trends can be a good way to bring in more diners, but sometimes a restaurant simply can't make many changes. For Boccaccio's Restaurant in Westlake Village, California, for example, sweeping adjustments to the menu are just not possible.

"The restaurant originally only sat about 65 people, and now we seat about 250 people, but the kitchen has not changed in size," says Joseph Ieraci (B.S. Finance, '90), part owner of the restaurant. "Our menu has to be something that we can create out of a small kitchen for a large number of people, so we're limited in how much we can offer, and the menu changes very little. We focus on quality and good service to keep people coming back."

And come back they do, as much for the continental cuisine as for the restaurant's location on the edge of a picturesque manmade lake – and even to see Ieraci himself.

"This is a hands-on operation that requires a lot of time," he says. "It's something I grew up doing at my family's Italian restaurants, so for me it's not out of the norm. But it's a dying breed, something like this. Most places have multiple managers. My partner and I run the place ourselves with another part-time manager, because of the rising costs in California. We grew up in this community and support the local schools and some local charities, so even though the food doesn't change, people just like to see us here."

Despite all that, the restaurant struggled when the economy turned in 2007-2008. To stay afloat, the partners refocused their efforts on drawing in large groups of 100 to 150 people, rather than parties of two and four. Corporate events, rehearsal dinners, baby showers, bridal showers and even an annual Sun Devil Send-Off for incoming ASU students helped them through the rough years.

"It's a lot easier to get a group of 100 than to get 50 tables of two inside your restaurant," Ieraci says. "We took that direction many years ago when the economy went south, and we just stayed on that path. We're staying the course. We've found the formula that works." ■

In the study focused on these lending models, researchers found that geopolitical interest “had the highest explanatory power,” Lamoreaux says. “It fit the lending data best.”

Research by
Phil Lamoreaux
Assistant Professor of
Accounting

Accounting or allegiance: What really opens World Bank coffers?

Ask the 3,000 impoverished Ethiopian women who received special credit lines so they could start their own businesses: World Bank loans change lives. And, they should. After all, this institution’s motto is “working for a world free of poverty.” Still, as Phil Lamoreaux points out, “World Bank has lofty stated ambitions but, at the end of the day, it loans money and it wants that money paid back.”

Lamoreaux, a professor of accounting at the W. P. Carey School of Business, decided to see if getting the money back appeared to be a driving force in World Bank lending behavior. In a paper published in *The Accounting Review*, he reported that accounting and audit quality did seem to matter, particularly when the nations looking for a loan were well known for corruption. But, even more important was the correlation between loans and another factor: the borrower nation’s geopolitical alignment with the interests of the United States.

Peas and prosperity

Just what is the World Bank? Started after World War II, it was created to help nations rebuild, Lamoreaux says. Today, the organization funds a variety of projects in middle-income and creditworthy low-income nations. Recent initiatives include backing an agricultural project that disperses seeds and seedlings to restore food security in Africa, building new health care facilities in Cambodia, bringing clean water sources to parched rural villages in India and raising literacy levels in Papua New Guinea, where nearly 40 percent of the population can’t read.

“The key difference between World Bank and a commercial bank is that the commercial bank’s purpose is essentially

to make money ... to generate profit for shareholders,” Lamoreaux explains. “That’s a secondary objective for World Bank.”

Still, World Bank does have shareholders of a sort. “Its member countries put money into the World Bank, and the U.S. is the largest investor,” Lamoreaux continues. In fact, the U.S. holds some 15 percent of shares. The next highest level of financial backing came from the United Kingdom, which has a four-percent share.

Accounting matters

Because World Bank lends money primarily to alleviate human suffering, lending rates are predicated on the length of the borrowing term rather than on default risk, which is the construct firmly behind a commercial bank’s interest rates to borrowers. Still, accounting matters, because when accounting quality is low, World Bank officials will likely need to monitor projects more closely than they would when they can rely on high-quality, audited financial statements. That adds cost to the loan.

This is why Lamoreaux and his fellow researchers – Paul Michas, University of Arizona and Wendy Schultz, University of Manitoba – hypothesized that accounting quality would raise the likelihood of a nation’s aid workers getting World Bank financial support. The researchers also thought audit infrastructure would have impact because each financed project must have an independent auditor watching cash flows.

In addition, the research team examined a nation’s reputation for corruption. If it was high, they figured bank staff would be more attentive to accounting standards and audit quality.

Finally, the researchers looked at whether loans were made to countries geopolitically aligned with the U.S. That’s because the U.S.

is, by far, the largest of World Bank’s 189 member countries, and other researchers had already found that the bank’s lending appeared to be motivated by both economic and political forces.

Specifically, other researchers looked at World Bank lending in reference to four models of motivation. The “needs model” maintains that money goes to the countries with the greatest need for aid. The “just deserts model” says it goes to those nations that deserve it. The “benevolence model” holds that World Bank officials simply follow their charter, handing out funds to fulfill their goal of ending world poverty. Finally, the “politico-economic model” posits that bank officials will use political interest as a guide. In the study focused on these lending models, researchers found that geopolitical interest “had the highest explanatory power,” Lamoreaux says. “It fit the lending data best.”

As it turns out, complementary results showed up when Lamoreaux examined World Bank activity, too. “From what we observed in the data, the quality of information they thought they’d get back influences what they’re willing to lend.”

But, he adds, “accounting and auditing only matter in countries with relatively high corruption levels.”

What’s more, if there’s a nation with geopolitical interests that are aligned with those of the U.S., that too will raise a borrower country’s chances of getting a loan and toss the importance of accounting or audit quality aside.

Lamoreaux says his findings confirm those of other researchers. “Geopolitical influences impact what World Bank does,” he concludes. When political influences are strong, “accounting and audit quality really don’t seem to matter.” – *Betsy Loeff* ■

“If only the husband works, and he works the average number of hours, the average income tax rate is about 33 percent in Germany and Sweden, and 21 percent in the U.S.”

Research by
Alex Bick
Assistant Professor of
Economics

As disincentives to work, higher taxes affect women more

In 2004, Nobel Laureate and W. P. Carey Professor of Economics Edward C. Prescott started the debate about why Europeans, as a whole, work so much less than Americans. His answer: Europe's higher taxes dull the incentive to work.

Alex Bick, also an economics professor at the W. P. Carey School, has taken the question a step further: could tax differences also explain differences in how much married men and women work? It turns out, yes.

In a recent working paper, Bick and his co-author, Nicola Fuchs-Schündeln from Goethe University Frankfurt, compare the aggregate number of hours worked by married men and married women in the United States and Europe.

For Bick, the answer begins with an understanding of differences in hours worked between Europe and the U.S. “Given what we know from Prescott's work, it was no surprise to find that married men work less in Europe than in the U.S.,” Bick explains. “In addition, the number of hours worked by married men is fairly consistent across Europe.”

The findings about married women, though, were quite different. Bick explains, “Married women in eastern Europe and Scandinavia work far more hours than married women in western and southern Europe. In fact, they work only slightly fewer hours than married women in the U.S.”

Why do the cross-country comparisons look so different for women and men? Clearly, there are many reasons for these differences, but, Bick says, a significant part of the answer is taxes.

Cross-country tax differences

Bick's conclusions have nothing to do with gender per se; they are about how taxes affect the work incentives of the secondary earner in a married couple. On average, married women in the U.S. and Europe work fewer hours and earn lower wages than married men, such that in the majority of married couples the woman is the secondary earner.

The easiest way to understand Bick's study is with a concrete example. Bick offers up three countries: the U.S., Germany and Sweden.

In the U.S., average tax rates are low, and married couples are taxed jointly. In Germany, average tax rates are high, and married couples are taxed jointly. In Sweden, average tax rates are high, and married couples are taxed separately.

If only the husband works, and he works the average number of hours, the average income tax rate is about 33 percent in Germany and Sweden, and 21 percent in the U.S. That lines up well with the fact that married men work about the same number of hours in Germany and Sweden, and more hours in the U.S.

“But if the wife works as well, the picture looks quite different,” Bick says. The average marginal tax rate on wives' earnings, i.e. how much tax the couple has to pay on the additional income earned by the woman, is about 29 percent in the U.S. and Sweden and 50 percent in Germany. As for men, these differences are in line with the observed differences in the data: married women work about the same number of hours in the U.S. and Sweden, and far fewer hours in Germany (34 percent fewer). The higher the taxes, the greater the disincentive to work.

In each country, the relative strength of the disincentives for married women to work depends on both the progressivity of the tax code and the tax treatment of married couples. Progressivity reflects how fast the tax rate paid on an additional dollar earned (the marginal tax rate) increases with overall level of earnings. In cases where married couples are taxed jointly, as in Germany and the U.S., the two incomes are combined and then taxed at the same marginal tax rate for that combined level of income. For most married couples in the U.S., this implies that the spouse with the higher earnings ends up in a lower tax bracket, and the spouse with the lower earnings ends up in a higher tax bracket, compared to an unmarried couple with the same earnings situation.

In countries where married couples are

taxed separately, as in Sweden, each spouse's income is taxed at the rate set for that level of income, so a wife earning less than her husband would be taxed at a lower tax rate. In Sweden, the benefits of separate taxation for wives' income actually cancel out the disincentive of the higher tax rate.

Why women work less than men

Bick's research sheds light into why, on average in Europe and the U.S., married women work less than married men.

Consider the earlier example: in both the U.S. and Germany, the high marginal tax rates on the secondary earner implied by joint taxation reduce the incentive to work drastically.

The opposite is also true: lowering the tax burden incentivizes work. Bick says that a third of the increase in married women's labor force participation from the 1980s to the mid-2000s can be explained by tax reforms that decreased the marginal tax rate on secondary earners, which is historically and still today in the majority of couples the woman.

Policymakers could lower married women's tax burden by changing the progressivity of the tax code or changing the tax treatment of married couples. On the first, Bick says that progressivity affects men too, but because women are less likely to be primary earners, and more likely to not work, the progressivity of the tax code affects them more.

Sweden makes clear that progressivity alone isn't necessarily a disincentive for married women to work, if the couple's income is taxed separately. “So if a country like Germany wanted to increase the numbers of hours worked by married women,” Bick says, “a good policy to consider would be changing the tax treatment of married couples so that their incomes are taxed separately.”

From Silicon Valley to Washington D.C., many ideas have been offered up to help women get into and thrive in the workforce. Alex Bick's research shows that tax code reform, as unromantic as it may be, deserves its place with the best of those ideas.

— Molly Castelazo

DOCTORAL STUDENTS

The new generation of knowledge pioneers

Research is at the heart of the doctoral experience. Soon after arriving on campus, students start searching for answers to their research questions, and most publish their work in journals long before they graduate with the title “doctor.”

Students work closely with W. P. Carey School of Business professors who are conducting groundbreaking research in virtually all of fields of business. Often they choose a school based on the research agenda of its faculty. It’s a close intellectual relationship, often career-long, as students eventually become peers and research collaborators.

“Some say that the attention paid to delivering a quality Ph.D. program is an important marker for the quality of a business school,” says Associate Dean for Research Michael Goul. “After all, Ph.D. mentoring is akin to raising the children who will one day assume the mantle at the top business schools. In the W. P. Carey School of Business, we take this training very seriously; next generation business schools will be in good hands.”

Meet four doctoral students who are currently mastering the knowledge and skills to be the top scholars at leading universities all over the world.

ZIRU LI

Second Year, Information Systems – ASU Institute of Social Science Research Poster Contest, First Place, Proposed Research

Academic preparation: B.S. and M.S., Management Information Systems, Harbin Institute of Technology, Heilongjiang province, China

Why I am pursuing a Ph.D.: In my third year of undergraduate study I had the opportunity to help one of my professors with data collection and the preparation of a literature review. I discovered I like digging out the answers to questions.

My research-in-progress: My research examines how the entry of ridesharing services such as Uber impact traffic congestion in metro areas. We are using data from Uber and the T&A Urban Mobility Report from Texas A&M University to empirically examine whether and how the entry of Uber car services impacts traffic congestion and carbon dioxide emissions. We will further study how ridesharing

services such as Uber can change the driving behaviors of individuals, shifting demand and supply in the market. Findings from this research could potentially contribute new insights on the sharing economy and contribute to government policy decisions.

Publication: My poster describing this project was awarded first place in the Graduate Student Poster Competition, hosted by the Institute for Social Science Research at ASU.

My first year paper advisor and co-author: Associate Professor Zhongju Zhang worked with me on my ridesharing research.

When I’m not doing research: I take grind and yoga classes at the Sun Devil Fitness Center, and I like to hike – especially at Grand Canyon National Park.

EUNAE YOO

Fourth Year, Supply Chain Management

Academic preparation: B.S., Accountancy and Supply Chain Management, W. P. Carey School of Business, followed by direct admission to the doctoral program

Why I am pursuing a Ph.D.: My family instilled a commitment to service in me from an early age. As an undergraduate, I learned about humanitarian logistics, which unites my interests in supply chain management and public service. This motivated me to do research in the field of humanitarian logistics.

My doctoral committee: My co-chairs are Professor of Supply Chain Management Elliot Rabinovich and Professor of Information Systems Bin Gu.

My research-in-progress: Information is an invaluable resource during disasters, and the volume of information has exploded with the advent of social media. My research focuses on how humanitarian organizations can leverage social media to gather and share information in a crisis. Using a large dataset of tweets from Hurricane Sandy, we studied the rate at which information spread through retweets on Twitter. We modeled how quickly tweets diffused based on the influence of the users posting them and also discovered that tweets posted earlier in an event spread faster than those posted later. Understanding these dynamics will help humanitarian groups operate more efficiently and communicate better with victims.

Publication: Forthcoming paper in the Journal of Operations Management: “Evaluating Information Diffusion Speed and Its Determinants in Social Media Networks During Humanitarian Crises,” by Eunae Yoo, Mahyar Eftekhari and Elliot Rabinovich, W. P. Carey School of Business, and William Rand, University of Maryland.

When I’m not doing my research: I enjoy volunteering with my church, hiking and supporting our local football teams – the Arizona Cardinals and ASU Sun Devils!



BETH SCHINOFF

Fifth Year, Management – 2016 John W. Teets Outstanding Undergraduate Teaching Assistant

Academic preparation: B.S., Communications Studies, Northwestern University; MBA, University of Illinois at Chicago

Why I am pursuing a Ph.D.: I was working full-time at a non-profit and getting my master’s at the same time. I realized that in school, I was using my brain in new and exciting ways. I also started doing research with a professor in organizational behavior I revere and I thought, this is so cool – you get to ask your own questions aimed at making people’s work experiences better, and then answer them.

My research-in-progress: My first stream of research tries to understand how employees construct their identities at work: how do they answer the question, “Who am I?” My second stream focuses on workplace relationships. My dissertation seeks to understand how employees form friendships in virtual environments. Making friends virtually requires a lot of proactivity and imagination as you create and interact with a person who you often never meet. The two streams are intertwined. We don’t construct our identities in isolation; who we are has a lot to do with the others around us.

My doctoral committee: My chair is Professor Blake Ashforth and my committee members are Professor Kevin Corley and Assistant Professor Ned Wellman.

Publication: “‘I identify with her,’ ‘I identify with him:’ Unpacking the dynamics of personal identification in organizations” by Professor Blake Ashforth and Ph.D. candidate Beth Schinoff of the W. P. Carey School of Business, and former W. P. Carey doctoral candidate Kristie M. Rogers, now assistant professor of organizational behavior at the University of Kansas, in the Academy of Management Review, 41: 28-60.

When I’m not doing research: My colleagues and students probably don’t know this, but my twin sister and I were master jugglers when we were kids in Miami. We even had our own routine choreographed to Jock Jams – an upbeat compilation of ‘90s dance music.



ALLAN HERNANDEZ

Fifth Year, Economics – 2016 Top Teaching Assistant Award, ASU Graduate and Professional Student Association

Academic preparation:

B.S., Economics and M.S., Economics and Applied Mathematics, Universidad de Costa Rica; M.A. Economics, Northwestern University

Why I am pursuing a Ph.D.: I like the idea that you are in charge of your own agenda, you challenge yourself every day and you are working on problems that you designed. Moreover, you work on the frontier of knowledge.

My research-in-progress: In many countries, high school graduates participate in centralized admission systems where they have to rank and report to university authorities which majors (colleges) they would like to attend. Since normally the demand is higher than the supply of seats, authorities have to prioritize students by their score in a national exam, and use algorithms to assign seats in each major. In such mechanisms, many students have the incentive to manipulate their preferences to maximize their chances to go to college. My research provides a novel methodology to recover students’ true preferences from the “manipulated reports” and conducts several policy exercises, related to affirmative action programs and allocation of resources.

My doctoral committee: My chair is Professor Alejandro Manelli, and my committee members are Professor Hector Chade and Associate Professor Amanda Friedenber.

Working paper: “Student’s Selection of Majors under Uncertainty: Evidence from University of Costa Rica.”

When I’m not doing research:

I like to hike, swim and play soccer – badly! I also love the classics. I was working in the United Kingdom this summer, and I had the opportunity to visit Westminster Abbey, many medieval castles and William Shakespeare’s birthplace in Stratford-upon-Avon. □



Information System doctoral candidate ZIRU LI’s poster won first place against competition from social sciences Ph.D. students from all over ASU. Doctoral students prepare posters about their work for the academic meetings in their disciplines attended by scholars from around the world.



Nudging students to get involved, aim higher

Chaos and collision: Seek them out every day



DOUG OWCZARCZAK (B.S. Economics '09) is the division manager for food service/on premise, Coca-Cola.

Ask anyone who knows me, and they'll tell you there isn't another person on this planet who loves Arizona State University more than I do. I am a die-hard fan of our Sun Devil sports teams, I proudly display all things Sparky on my desk at the office and I'm incredibly proud to be an alum of the W. P. Carey School of Business. It's a place that means a lot to me, because in many ways, it's where I became who I am today.

It wasn't always that way, though. That first semester, I wanted out.

I had trouble making friends and connections. I couldn't figure out what I wanted to study, and the university just seemed so huge. After weeks of feeling aimless, I figured the only way forward was to pack my bags and try this college thing somewhere else.

Then I met the person that changed everything: my first mentor.

At the precise moment that I needed somebody to turn me in the right direction, my mentor did exactly that. He encouraged me – a kid who hadn't been involved in much at all – to find and join

clubs that interested me, and to pursue leadership positions in those clubs. He pushed me to consider taking on a role with the athletic department, which, as he promised, turned out to be a wonderful experience. He even helped me find my true academic passion and, by extension, allowed me to grow into the successful professional I've since become.

Of course, hard work and perseverance have helped me get where I am today, but I wouldn't be honest if I didn't say I also owe a great deal of my success to my first mentor, and to the other mentors who have come into my life since. Whenever I've needed support, they've been there for me. And it's because I so appreciate my mentors that I've also made the conscious effort to become a mentor myself.

I've been involved with the Camp Carey experience for years now, and in that time I've met with and mentored W. P. Carey freshman who need just a little bit of guidance, or encouragement, or a slight nudge to get more involved, dream bigger, aim higher. I understand how they feel, because I was once in their

shoes. And that's why I can tell them that with time and effort and a little bit of confidence, things can and will get better. That's what my mentor told me and he was right.

My mentors mean very much to me, but the young people I've mentored myself mean just as much. I care about them, and nothing gives me greater joy than seeing them find their passion and enjoy success, both in life and at work.

In some ways, I feel like my experience as a mentor and mentee has come full circle. And if I've learned anything it's that both sides gain in the relationship – something special and lasting, and deeply rewarding. ■

For more information about mentoring contact Jennifer.Shick@asu.edu for undergraduate programs, or Cameron.Robb.1@asu.edu for graduate programs.



JEREMY VEATCH (MBA '08) is a founding partner of Ironwood Venture, a management consulting company specializing in accelerating growth for emerging and middle-market businesses.

You'll never have all the answers. I certainly don't.

For some, it's a tough pill to swallow, but the very best folks in business already understand this about themselves. Naturally, planning strategic partnerships, mapping out meetings with vendors and pulling in talent to augment your needs help fill in those knowledge gaps.

But I think you need more chaos in your work life.

Think about it. Imagine the last time you had a problem and the answer came along when you least expected it. I find myself having more than my fair share of those moments by intentionally lining up a collision course with others.

How?

Our company, Ironwood Venture, is located within The Department – a collaborative working space in downtown Phoenix. Some call it "co-working," but I prefer "creative chaos."

Here, my hourly walks to the communal kitchen, printers, conference rooms and even washrooms expose me to collisions with other businesses, leaders, doers and thinkers, and I

wouldn't have it any other way.

The more I expose myself to collisions, the stronger the chance I'll strike up a random conversation with someone who just might have the solutions I've been seeking. Sometimes, a good chat can spark a creative idea on its own. Here's the bottom line: more run-ins means more random acts of brilliance, more unintentional, but effective, collaborations and more opportunities to expose my own talents and supplement my weaknesses with the strengths of others.

They're unplanned interactions perhaps, but not entirely unprovoked. I make it a daily choice to seek out these impulsive interactions. Relying on planned collaborations can limit your creative outcome, and those go-tos wells are bound to eventually run dry. Instead, intentionally place yourself in the path of others, and learn to embrace all that comes with these unanticipated interactions. And do it daily.

If answering emails at a coffee shop is the most chaotic thing you're doing, it's time to make some waves. Unplug

those ear buds and close the lid on your laptop. Sit near the cash register with the most foot traffic, and work with a pen and paper to display your work to the world.

If caffeine isn't one of your cravings, forgo the corner shop in favor of your building's lobby or break room. Make eye contact and say "hi" to passers-by. Or, take things a step further and print the visuals from your next big project and display them by the communal printer where others can't help but see them. Accept feedback and comments, and maybe even a little criticism – especially if it's constructive.

Outside the work day, incite a little chaos by studying a completely new creative skill, such as photography, alongside other students. This is a great way to strike up a conversation outside of your normal networks while sharing a common new adventure and interest.

The bottom line is, you don't know where you'll find yourself, when it will happen or who will be sitting next to you when the next big idea hits, but one thing's for certain – it won't be in a cubicle. ■

New Venture Group

Student consultants have solutions, will travel

W. P. Carey alumnus Jeff Lam (B.S. Accountancy '13, MACC '14) worked with the Havasupai Tribe when he was an undergraduate and a member of the New Venture Group – a student consulting firm at the school. “The client challenged us in various areas,” says Lam, now a consultant at Protiviti, “the first being the four- to five-hour hike from the top of the Grand Canyon to the valley where Supai is located.”

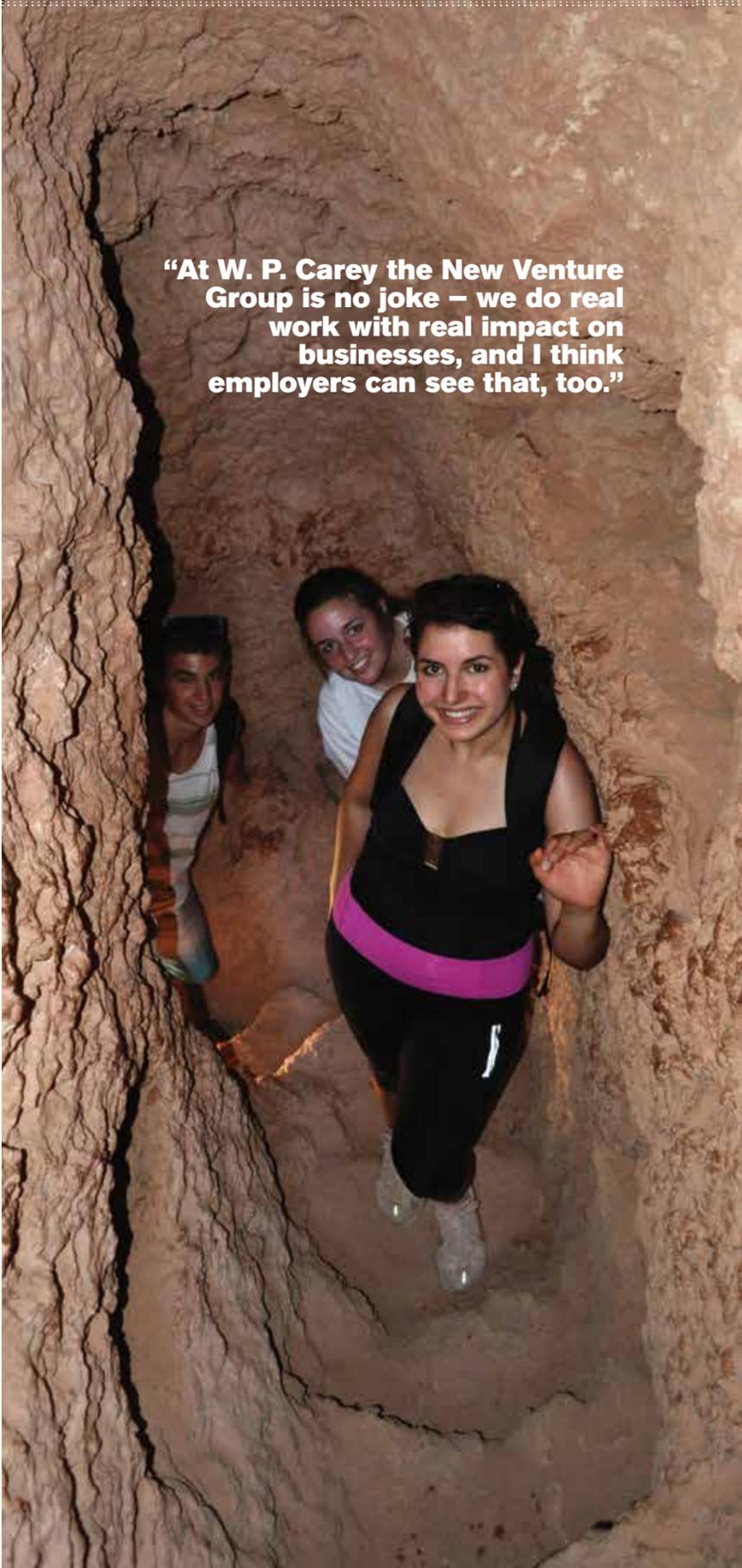
Over a period of four years, New Venture Group built an economic development program and worked on various projects for the Havasupai Tribe and its business enterprises.

New Venture Group is a consulting firm that was formed in 2008 as part of the Consulting Scholars Certificate program. Professor Emeritus Dan Brooks wanted students to experience real-world consulting, potentially making a measurable difference in the world. “The idea was to create

as close to an authentic consulting company as possible,” Brooks says. Brooks thought the experience would give the students more than just firsthand consulting experience. More important, students would come to understand that creating value in itself is an exciting career path. “Consulting is a creative way to think about applying the talent you acquire through higher education, as a means of creating value for whatever community you’re most interested in being a part of,” he says. “You’re converting your education into making a difference that people appreciate. There aren’t a lot of opportunities to do that.”

Now led by W. P. Carey’s Chief Innovation Officer John Beck and Professor of Practice Todd Taylor, New Venture Group continues to help students discover career paths while contributing substantially to the success of organizations that participate.

“At W. P. Carey the New Venture Group is no joke – we do real work with real impact on businesses, and I think employers can see that, too.”



LEFT PAGE, FROM LEFT: FEDERICO BRYNER (B.S. Accounting and Finance '13, MACC '14), **STEPHANIE SEGHERS-NARVAEZ** (B.S. Marketing '13), **BRIANNA ARENDT** (B.S. Accountancy '13, MACC '14) making the trek to Havasupai Falls. **RIGHT PAGE, TOP: Returning home from Supai by helicopter. RIGHT PAGE, BOTTOM: JENNIFER SCHNELL** (B.S. Supply Chain Management and Finance '14) with a member from the Havasupai Tribe.

NEW VENTURE GROUP CLIENTS

Arizona Theatre Co.	The Phoenix Symphony	BioAccel
Honeywell International Executive MBA Council	Steak Escape	State of Arizona
Chicanos Por La Causa	American Red Cross	Biosensing Instrument
Havasupai Tribe	Tiempo Development	Downtown Phoenix
ASPIN/Mohave	Las Tiendas	Mayo Clinic
American Express Parenting Arizona	Lightworks	Town of Fountain Hills
Arizona Opera	Shamrock Foods Co.	L. William Seidman Research Institute
	Frank Lloyd Wright Foundation	

about solving business problems,” he says.

Luckily it only took about 15 minutes more for him to get his teammates to stop worrying. Moving forward, they taught one another what they could, and focused on assigning project tasks based on their individual strengths. They learned that challenges are best addressed as a team. By the end of the year, Barger was elected to his current position as the student director of curriculum for New Venture Group.

Looking forward, Barger believes experience is just as valuable as a degree to becoming a marketable professional. “At W. P. Carey the New Venture Group is no joke – we do real work with real impact on businesses, and I think employers can see that, too,” he says. “It’s incredibly valuable to gain experience alongside so many smart and motivated students, in a driven environment where I can get real career preparation.”

The elite nature of the group turns every meeting into an opportunity to learn something new, Barger says, or hear a story that inspires him to do more.

“It’s like that quote, ‘as iron sharpens iron, so one person

sharpens another,’” Barger says. “Under that metaphor, New Venture Group is like a blacksmith for aspiring professionals – and that’s pretty cool.”

A safe space to learn and grow

New Venture Group has taught Tiffany Lam (no relation to Jeff) the power of patience. “To achieve the perfect fit between problem and solution, you have to be patient,” says the W. P. Carey business data analytics and supply chain management student. “You have to wait for the subtle clues that tell you not only what solutions will work, but also how to approach the details.”

It has also taught her the value of teamwork. While working with a potential client last year, Lam wanted her teammates to help her polish a presentation. She asked some of her peers to stay after class, to watch her presentation and give her feedback. “It was getting late and I honestly expected everyone to leave,” Lam says. “But my fellow consultants stayed. They gave me a round of applause, and the edits I needed to make it perfect.”

Being mentored by older consultants has exposed her to new techniques and processes. Working

A blacksmith for aspiring professionals

Lam said the Havasupai experience was rich with rewarding and memorable moments, such as beautiful hike down to Havasu Falls, where students persuaded Brooks to partake in some waterfall sliding. Or being honored with an invitation to dinner at a tribe member’s home.

Listening to the client remains the most important lesson Lam learned through New Venture Group. It’s something he uses daily in his consulting career. “We were taught to ask open-ended questions to get

as much information from clients as possible,” he says. “To this day, this method elicits extra, valuable information from clients – a result I could never achieve by asking ‘yes’ or ‘no’ questions.”

Looking back on his first foray in consulting, W. P. Carey economics and finance major Michael Barger had no idea what to expect – and no idea what he was talking about. He and three others drove to their client’s home, about an hour away from campus. “It took less than 15 minutes with the client for me to learn that I knew almost nothing

FRONT ROW, FROM LEFT: XIAONAN “SHANE” XIAHOU (B.S. Supply Chain Management '16), **NICK NIST** (B.S. Supply Chain Management, B.A. Global Politics '15). **BACK ROW, FROM LEFT: BLAIR ROBERTSON** (M.S. Business Analytics '15), **DAN BROOKS, FAN XIAO** (M.A.S. Geographic Information Systems '16), **GURKARAN CHOTALLA** (B.S. Finance '17), **BETTY LEE** (B.S. Supply Chain Management and Finance '15), **LEAH FIACCO** (B.S. Economics and Political Science '15).

with high-level decision-makers at various companies has solidified her position as a professional. Moreover, New Venture Group has been a safe space to learn and grow with a little help from her friends.

Lam is excited to help plan and execute C2, a consulting conference, in her new role as the student director of event logistics for New Venture Group. Held annually, more than 100 consultants from across the country attended C2 last year. “Interested students can attend to learn more about New Venture Group and consulting in general,” she says, “as well as hear from and network with industry professionals.”

Adventures in complexity

With so many extracurricular options to choose from, Erika Mionis (B.S. Supply Chain Management and Finance '16) adopted a follow-the-leader strategy as a freshman and sophomore at W. P. Carey. She looked at people she admired (mostly upperclassmen), and took note of their involvement. “I noticed that many intelligent, accomplished individuals were part of New Venture Group,” she says, so she decided to join.

Her first assignment, for a medical entrepreneur, took more than a year to complete, but was immensely rewarding in terms of experience gained and skills learned. Mionis and fellow teammates ended up becoming such great friends that they decided to complete their honors thesis together, which led to all-nighters, midnight Chinese food runs and many other good memories.

“New Venture Group is unique in that it has so many connections with consultants early in their careers,”

she explains. “Hearing from professionals only a few years older made it easier to imagine what my life would be like as a consultant.”

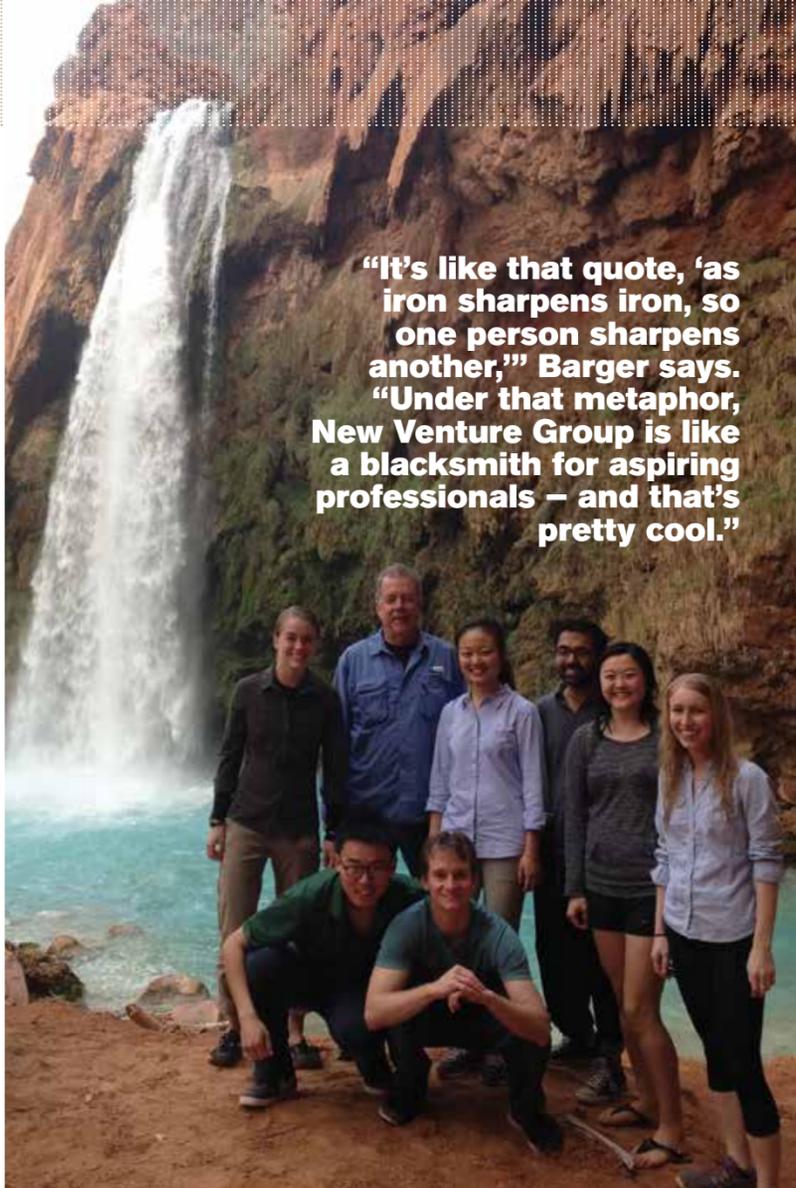
Mionis begins GE’s Operations Management Leadership Program, specifically in the area of aviation, in October 2016. While the recent grad decided she preferred industry work to consulting, she describes the experience as a great way for students to figure out if consulting is right for them, while gaining practical knowledge and skills.

All aboard the value train

W. P. Carey supply chain management student Karen Chang returns to campus as president of New Venture Group this fall, after spending the summer as a systems analyst intern for American Airlines Inc. “In all of my interviews, I use my consulting experience to answer their questions about teamwork, problem solving and communication,” she says. “I think this really helped me obtain my internships.”

Chang says all of her client engagements have been valuable learning experiences, critical to shaping her into a good consultant. Consulting has also been a meaningful way for Chang to make a difference in local organizations like the ASPIN/Mohave Educational Services Cooperative, her first client.

The local food service cooperative purchases food for more than 100 Arizona school districts. Since Shamrock Foods Co. is responsible



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for delivering food to many ASPIN/Mohave school districts, the client brought Chang and her teammates on a tour of its distribution center. “The goal was to help us better understand the supply chain of a school lunch,” she says, recalling one of her favorite experiences with New Venture Group. “We got to see the conveyor belt that transfers products from shelves to loading docks, and a man filleting a fish before it was packaged and sealed.”

Chang and her teammates created a value model to help the client improve their customer service levels, using firsthand knowledge of the school lunch supply chain. In addition to shaping an organization’s operational strategy, she had the treat

of sitting in a freezer, surrounded by cartons of ice cream.

One team, one dream

Within four years of its inception, New Venture Group had placed students in every major consulting firm in the U.S. – all of which today employ multiple New Venture Group alumni.

This is due, in large part, to the fact that New Venture Group members learn what pursuing a consulting career is like. They understand the drawbacks. They know what is expected of them. And they are excited to be consultants.

Firms interested in engaging with New Venture Group should contact Professor of Practice Todd Taylor at TWTaylor@asu.edu. □



PHOTOS COURTESY OF SKYBERRY FARM. EVA VERBEEK

Teamwork makes the dream work at Skyberry Farm in Portland, Oregon – an altruistic enterprise made possible by backers all over the world. FROM LEFT: Farmers WALTERS, ANDERSON and KELLY.



Skyberry Fields Forever

Portland-based organic farm passionate about building a community around healthy food

Imagine working tirelessly to cultivate thousands of pounds of produce – just so you can give all of it away for free. That’s exactly what Garrett Kelly (B.S. Management '10) and the other co-founders of Skyberry Farm are doing in the hills above Portland, Oregon.

“We hope that our mission and success inspires young people to become local farmers,” Kelly says. “It is amazing to think that by not selling our vegetables at all, which was our original core business, we can create more value than ever before.”

How it all started

Kelly and ASU alums Sid Walters (B.S. Kinesiology '09) and Derek Cardinale (B.S. Geography '11), fellow members of ASU’s track and cross country teams joined together with longtime friend Patrick Anderson to break new ground in agriculture.

The original business was a community supported agriculture (CSA) model. Each CSA share equated to a portion of the Skyberry harvest – like a pre-paid subscription for organic produce – which was delivered directly from Skyberry Farm to community shareholders, once a week for 16 weeks out of the summer.

Establishing a cooperative scheme with local consumers allowed them to share the risks and rewards of food production. Organic farming, however, is expensive.

“Many farms struggle to break even and can typically see up to five years in the red to get there,” Kelly says. “In order to survive, we had to sell CSA shares at premium prices that only a small, wealthier segment of the Portland community could afford.”

They found creative ways to diversify their business, including farm-to-table dinners, company offsite events and fundraisers at local breweries. But nothing compensated for the fact that the bulk of their efforts revolved around selling organic vegetables to the wealthy, a realization that bothered Kelly and his Skyberry Farm colleagues.

A turning point

“After our first three years in business, we asked ourselves why we were putting so much work into something with so little impact,” he says. “Fighting food insecurity stood out as a way we could use our greatest asset – organic, nutritious food – to better connect with and serve our community.”

Approximately one in eight Portland residents suffers from food insecurity on a regular basis.

“We decided to literally ‘feed the need’ right here in Portland,” Kelly says. “To us that means providing truly nutritious food to the people who need it most, without asking for money in return.”

Growing for good

Hosting farm stay experiences for local enthusiasts and international travelers offered a new, community-oriented source of revenue – exactly what they needed to turn Skyberry Farm into a self-sustaining food source for local charities. The Skyberry farmers showcased this vision on Kickstarter, and raised more than \$33,000 to help convert their large garage into a rentable space for guests in June 2015.

Look for Skyberry Farm on Airbnb to book a visit, and support their cause. □



Produce

- | | | |
|------------------|------------------|-------------------------|
| Squash | Peas | Tomatoes |
| Cucumbers | Turnips | Kohlrabi |
| Eggplant | Lettuce | Brussels sprouts |
| Beets | Artichoke | Cabbage |
| Carrots | Beans | |
| Radishes | Peppers | |



Into the wild with Fred Krakowiak

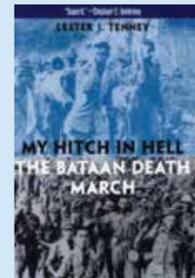
After 30 years on Wall Street, **Fred Krakowiak** (B.S. Finance '78) made a career turn and refocused

on wildlife. He now leads annual on-foot safaris to the plains of Africa and creates artwork from his experiences. His memoir, "Tracking Your Inner Maverick: Career Transition for Trailblazers, Risk Takers & Rule Breakers," tells the story.



Bataan Death March: From a survivor's eyes

Professor Emeritus **Lester I. Tenney**, 96, was busy this summer writing an epilogue to his book, "My Hitch in Hell: The Bataan Death March." Tenney is one of the few to survive the 60-mile trek and the subsequent three-and-a-half years in prison camp in Japan, where he witnessed the atomic attack on Nagasaki. Tenney taught finance at



W. P. Carey from 1969 until his retirement in 1983. He and his wife, Betty, now reside in Carlsbad, California. He remains an outspoken advocate for the veterans of World War II, especially those who suffered in the Philippines and Japan.

Uber-ambitious for Phoenix growth



Steve Thompson
(B.S. Marketing '10)

Steve Thompson (B.S. Marketing '10) knows what a difference a few years can make in the life of a dynamic business model. Three and a half years ago, when he went to work for the revolutionary ridesharing company, Uber, Phoenix was the 20th city to launch, and the company's employee roster numbered in the hundreds.

Now, more than 450 cities worldwide are served by Uber, which employs more than 5,000 people.

"Every day is a new challenge and I'm glad to be a part of it," says Thompson, who is general manager for the desert region, which includes Arizona, New Mexico, Utah and Nevada. "My job is to assess the unique needs of our cities, and

think like an entrepreneur to solve problems and take advantage of opportunities."

Thompson was drawn to the energy and adventure of the startup environment while still a student at the W. P. Carey School of Business. He created his own company as an undergrad through the Edson Student Entrepreneurship Initiative.

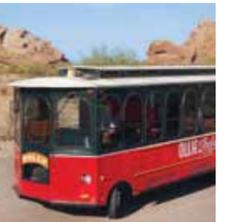
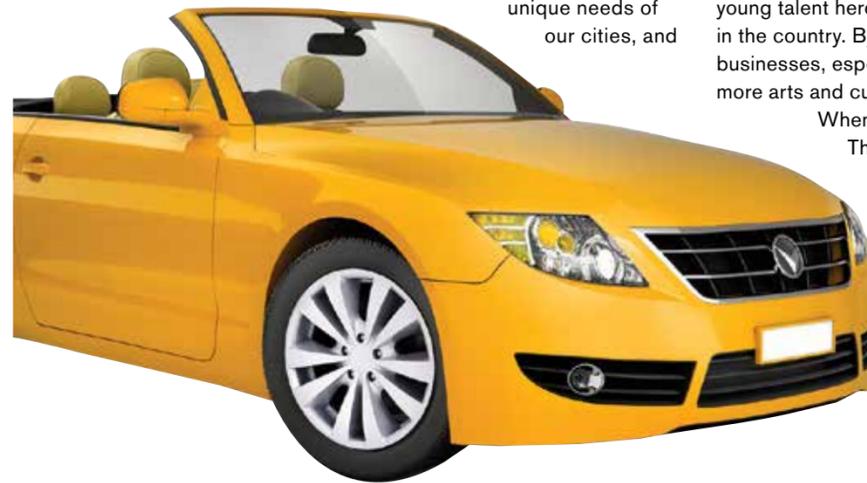
"It didn't really get off the ground," he says, "but I took away a lot of lessons I was able to apply later."

Thompson sees his success at Uber as a platform for a personal passion of his: promoting metro Phoenix as a technology hub. "Working for Uber is a great calling card, a conduit to conversations about how we can make Phoenix more desirable for startups, which also builds Uber's opportunities in the Valley."

Encouraging capable people to move here and stay in Phoenix is key. "I want to help create more opportunities to keep young talent here. W. P. Carey is one of best business schools in the country. By increasing retention we can create more businesses, especially in the downtown corridor, which leads to more arts and culture, too."

When he isn't working on Uber or Phoenix or both, Thompson is a foodie who enjoys the city's burgeoning cuisine scene. "I'm always trying to find new restaurants, but my default is Barrio Urbano for Mexican and Bitter & Twisted for drinks."

He enjoys speaking with students and recent graduates about the unique challenges of startups, including skeptical parents. "When I joined Uber my parents thought I was crazy," Thompson says, "but the company took off and it's been great."



GOING PLACES WITH OLLIE

Visitors have enjoyed riding Ollie the Trolley around Scottsdale and surrounding areas for more than 30 years. Founder **Margaret Dunn** (B.S. Sustainability '10, MBA '12) now employs 70 people and has grown the fleet to 34, including 30 buses that look like trolleys and four luxury coaches.



Cooking from the heart

2016 marks the 21st anniversary of **Nick Stellino's** (B.S. Marketing '80) career on Seattle public television as a chef and author of 10 cookbooks. He grew up with a family of accomplished cooks who readily shared their knowledge of Italian cuisine and love of cooking.

1960s

Ed Sandidge, B.S. Insurance '62, is the top agent for Mass Mutual Insurance in Scottsdale.

Wayne Culiver, B.S. Business Management '66, is the founder and owner of a real estate investment company based out of Scottsdale. After graduation, Culiver spent 10 years working for ExxonMobil in California, before returning to Arizona with his wife, also an ASU graduate, and opening a series of car dealerships.

1970s

Steve Kaplan, B.S. Accounting '74, is the KPMG Professor of Accountancy and the new director of the School of Accountancy at the W. P. Carey School of Business. He has been with ASU since 1981.

David Williams, B.S. Accounting '74, MBA '76, is the Dean's Research Professor at The Ohio State University in Columbus.

Carol Fowle, B.S. Economics '76, MBA '77, is the special membership service manager for the National Association of Credit Management in Baltimore.

Cathy Enz, B.S. Management '77, is a professor of strategy at Cornell University in Ithaca, New York.

Ken Kingery, B.S. Marketing '79, is a principal of the Mosaic Corporation, an Enterprise Content Management company, in Atlanta. He enjoys playing golf on the weekend and made his third trip to Russia with his fiancée this summer.

1980s

Joy (Hoedel) Elder, B.S. Marketing '82, has been the director of marketing and sales for the Bott Radio Network for 26 years, in St. Louis. Recently, she accomplished a lifelong goal of becoming a PSA Master-rated U.S. Figure Skating Gold Medalist in ice dancing and a figure skating coach.



Kirk Shaw

Kirk Shaw, B.S. Finance '83, is a loan officer specializing in certified divorce lending for Fairway Independent Mortgage Corp. in Phoenix.

Greg Vogel, B.S. Real Estate '85, is the CEO of the Scottsdale-based Land Advisors Organization, the largest land brokerage firm in the United States.

Robert Sederstrom, MBA '86, is the senior vice president of the commercial real estate brokerage firm Kiddler Matthews in Phoenix.

Gib Gibson, B.S. Marketing '87, works at CoxReps Inc., a subsidiary of Cox Media Group, as the senior vice president and director of sales. He has been with the company since 1988 and is an industry leader who serves on several media boards in New York City.

Ward Hickey, B.S. Finance '88, is the vice president of small business lending for the First Community Bank in Santa Rosa, California.

Ben Bentzin, B.S. Finance '89, is the CEO of Interactive Health Technologies Inc. in Austin.

1990s

Laura Clark, MBA '91, is a faculty member at Mesa Community College.

Christina Biscailuz, B.S. Real Estate/Finance '92, is the CFO for Global Protective Services, a security firm in Valencia, California.

Lowell Vande Kamp, B.S. Computer Information Systems '93, is the chief information officer of Synergis Education Inc. in Mesa, Arizona. He was a guest lecturer this summer in the CIS capstone course, where he

talked about the world of startups, the rapid pace of technology change and lifelong learning.

Kathy Sacks, B.S. Marketing '97, is the owner and operator of Coleap, a company that focuses on the growth of people, products and positioning in Phoenix.

E. Calvin Matthews, B.S. Finance '98, has been appointed the new equity partner for the firm Armstrong Teasdale LLP in St. Louis.

Steven Gragg, MBA '98, is the newly appointed international president of Lambda Alpha International in Orange County.

2000s

Joan Koerber-Walker, MBA '00, is the president and CEO of the Arizona BioIndustry Association, which helps Arizona become recognized as a top-tier biotech location.

Nichol Luoma, B.S. Supply Chain Management '00, is the associate vice president of the University Business Services at Arizona State University.

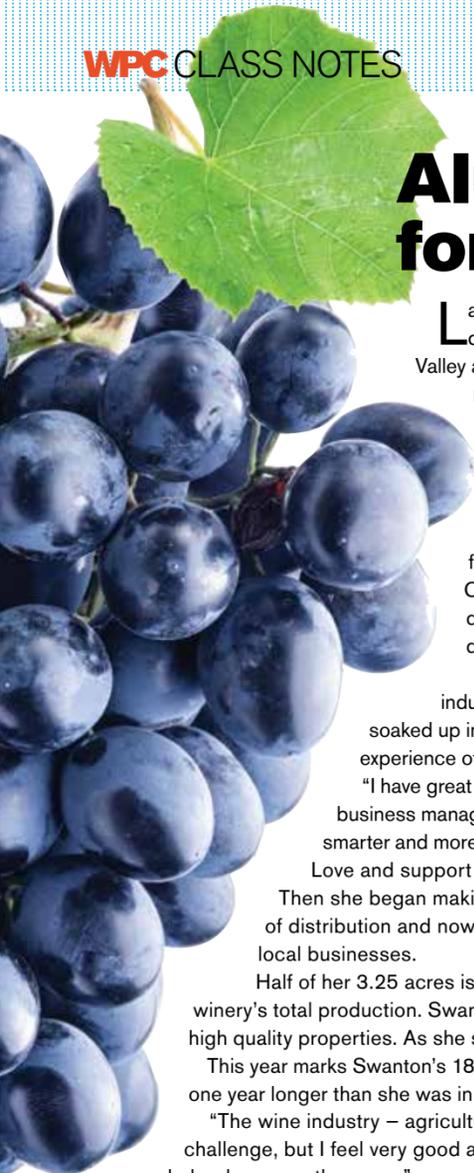
Brenda Cox, B.S. Management '03, is the vice president of human resources at the Salina Regional Health Center in Salina, Kansas.



Megan Creecy-Herman

Megan Creecy-Herman, B.S. Real Estate '03, has been promoted to vice president of leasing and development at Liberty Property Trust in Scottsdale.

Todd LaPorte Sr., MBA '04, was appointed the new CEO of HonorHealth in Phoenix this spring. He previously served as the CFO and chief strategy officer.



Alum trades office for vineyard

Laura Swanton (B.S. Management '86) is living a wine lover's dream. As co-owner of Laura Michael Wines, she lives in Napa Valley and produces seven wines each year: one each of chardonnay, rosé and port, and two zinfandels and two cabernets. But, idyllic as it sounds, getting to this place – and staying there – has not always been easy.

Swanton was a strategic account manager at Cisco Systems Inc. in 1999 when she and her second husband bought a little winery in Calistoga. After three harvests, Swanton found herself going it alone, determined to maintain her job with Cisco Systems. But after learning that her mother had been diagnosed with cancer, Swanton felt her priorities shifting and she decided to leave the corporate life and focus on the winery.

The winery was operational, but Swanton needed to learn the industry. She reached out to the Napa Valley Vintners association, soaked up information from neighbors and growers and relied on the experience of her consulting winemaker and vineyard manager.

"I have great expertise around me, and I've leveraged it like any good business manager should," Swanton says. "You put people around you who are smarter and more experienced than you and you learn from them."

Love and support doesn't hurt, either: she remarried her first husband in 2010. Then she began making changes to her business model. She pulled her wines out of distribution and now relies solely on word-of-mouth through her wine club and local businesses.

Half of her 3.25 acres is planted to zinfandel, which is used for one-quarter of the winery's total production. Swanton sources the rest of the grapes she needs from four small, high quality properties. As she says, "you can't make good wine from bad grapes."

This year marks Swanton's 18th harvest, which means she has now been a winemaker for one year longer than she was in high-tech.

"The wine industry – agriculture in general – is difficult," she says. "It's been a huge challenge, but I feel very good about what I've done and I'm proud of my team, who have helped me over the years."

Red noses for everyone

It's been 23 years since **Skip Bourdo** (B.S. Marketing '00) started out as a cashier for the Walgreens Co. Today he is the corporate vice president of eastern operations. In May, Bourdo and his colleagues rang the opening day NASDAQ bell to mark Red Nose Day, a fun initiative that raises money to help alleviate child suffering throughout the world.



Chase Terwilliger (MBA '13), and wife Katie are the proud parents of Charlie Terwilliger, born July 24, 2015 in Vail, Colorado. Chase is the vice president of product and business development at Silvernest, a company that matches up people with empty space in their homes to prospective tenants.

Pediatrician and health care innovator started out in accounting

Albert D. Jacobson (B.S. Accountancy '64) was on his way to a successful career as a CPA, but his interest in caring for people led him in a different direction: medical school and a life of achievement in pediatrics that includes being one of the founders of the Phoenix Children's Hospital. And this fall, he's coming home to Arizona State University, lecturing at the College of Health Solutions at the downtown campus.

After his medical training and a stint in the U.S. Navy, Jacobson returned to Arizona in 1975 to build a pediatrics practice. It was while he was president of the Maricopa County Pediatric Society that the group began to discuss establishing a children's hospital in Phoenix and Jacobson became the chairman of the planning committee. In 1983 the hospital opened and since then, Jacobson has been in leadership there and at the national level working on health care policy and practice management.

Jacobson has used the business acumen he acquired at W. P. Carey throughout his career and was a pioneer in the development of optimized health care delivery systems – a topic he'll teach

students about at ASU. Health care is a value-driven system now, Jacobson said, as doctors are compensated for the quality of care they give their patients, not the quantity.

Although he's stepping out of practice at the Phoenix Children's Hospital, he'll remain active there and will still continue to see patients. He volunteers at a clinic at St. Vincent de Paul and will soon travel to Mexico to work at a medical clinic in an orphanage.

He admits that his retirement isn't much of a slowdown. He expects to "gradually fade into retirement," and will spend time traveling with his wife and family, reading and volunteering. And he's looking forward to lecturing at ASU.

"It'll be fun to interact with the graduate and undergraduate students at ASU," Jacobson says. "I really enjoy teaching."



Albert D. Jacobson
(B.S. Accountancy '64)

Freestylin' it

New graduate **Sierra Blair-Coyle** (B.S. Marketing '16) is a full-time professional rock climber. This year, her journeys have taken her to international

World Cup competitions in China, Germany, Japan, Switzerland and the United States, with the championships held later this year in Paris.



Charlton Park

Charlton Park, MBA '06, is the chief analytics officer for University of Utah Hospitals and Clinics in Salt Lake City.

Danny Estavillo, B.S. Economics '06, MBA '12, recently joined The Nerderly as a business development director. The Nerderly specializes in finding business solutions through software design and development in Phoenix.

Nilesh Joshi, MBA '08, is the CIO and executive vice president of Newtek Business Services Corporation in Phoenix.

Matthew White, B.S. Finance '08, is an investment analyst at MRA Associates, an investment advisory firm headquartered in Phoenix.

2010s

Greg Fitzgerald, B.S. Marketing/Supply Chain Management '10, is the director of acquisition marketing at Blue Apron in New York City.

Michelle Gates, MBA '10, is vice president of financial affairs and CFO at Columbia College in Chicago.

D.J. Passey, B.S. CIS '10, is a software development engineer at Amazon in Phoenix.

Denise Castaneda, B.S. Finance/Accounting '11, is a manager at Protiviti in Los Angeles.

Mark Anderson, B.S. CIS '12, recently moved to Portland, Oregon and is an application developer for Intel Corp.

Chad Fogg, B.S. Business Management '12, is an operations and logistics manager at Uber Technologies Inc. in Phoenix. Fogg was recently appointed to the board of the Arizona Technology Council.

Joshua McCoy, B.S. CIS '12, is a systems analyst for Infusionsoft in Chandler, Arizona.

Nisha Mohan, B.S. CIS '12, is an IT project manager at GE Healthcare in Detroit.

Corinne Relucio, B.S. CIS '12, is a senior associate in risk consulting at KPMG in Houston.

Drew Schweinfurth, B.S. CIS '12, is the manager of developer relations for the Walgreens Boot Alliance Inc. in Chicago.

T.J. Wey, B.S. CIS '13, is an IT project manager at Avent Inc. in Phoenix.

Syed-Ali Bilgrami, B.S. CIS '14, is a product specialist at the Huron Consulting Group in Portland, Oregon.

David Choi, B.S. SCM/Economics '14, is a data scientist for Shipt in San Francisco. Shipt is a startup company that provides grocery ordering and delivery through a mobile application.

Ashley Miller, MBA '14, has been appointed the COO at Orchard Medical Consulting in Phoenix and serves on the board of directors of the W. P. Carey School of Business Alumni Chapter. Miller recently visited her 22nd country and will be getting married in November.

Lixin Chen, MBA '15, is the president of the Jiejian Civil Defense Architectural Design Company Ltd. in China.

Brittan Susich, B.S. Marketing '16, is a user experience and information architecture associate for the Phoenix-based advertising agency Zion & Zion.



Phil Jeong

Phil Jeong, MBA '16, is the senior financial analyst for the E & J Gallo Winery in Modesto. Jeong was named one of Poets & Quants' 2016 Best MBAs.

Jianfu Zhao, MBA '16, is the CFO of Bright Food Company Ltd. in China, the second-largest China-based food manufacturer.

IN by class year MEMORIAM

1953
Alfredo Sydlo
David Wist

1957
John Vise

1959
Richard Crouch

1964
Richard Natiello

1967
William Cline

1968
Gary Horton

1970
Redford Sanderson
Richard Shott

1971
Michael Barrington
John Kennedy Jr.

1972
Raymond Jennet

1973
Danniel Cranson

1974
Irene Bielawski
David Ives

Jack Roney
Richard Wickness

1975
Terry Baer

1975
Bill Dunbar
Gus Psarros

1976
Michael Magnan

1977
Barbara Lang

1978
Thomas Kerlin

1981
Joe DeLello Jr.

1982
Dennis Burton
Michael Ervin Huls
Wade MacKay

1986
Collen Bergsteen
Denise Meek
Margaret Gillespie

1991
Steven Johnson

1992
John Bakker

1993
Jeffrey Pogemiller

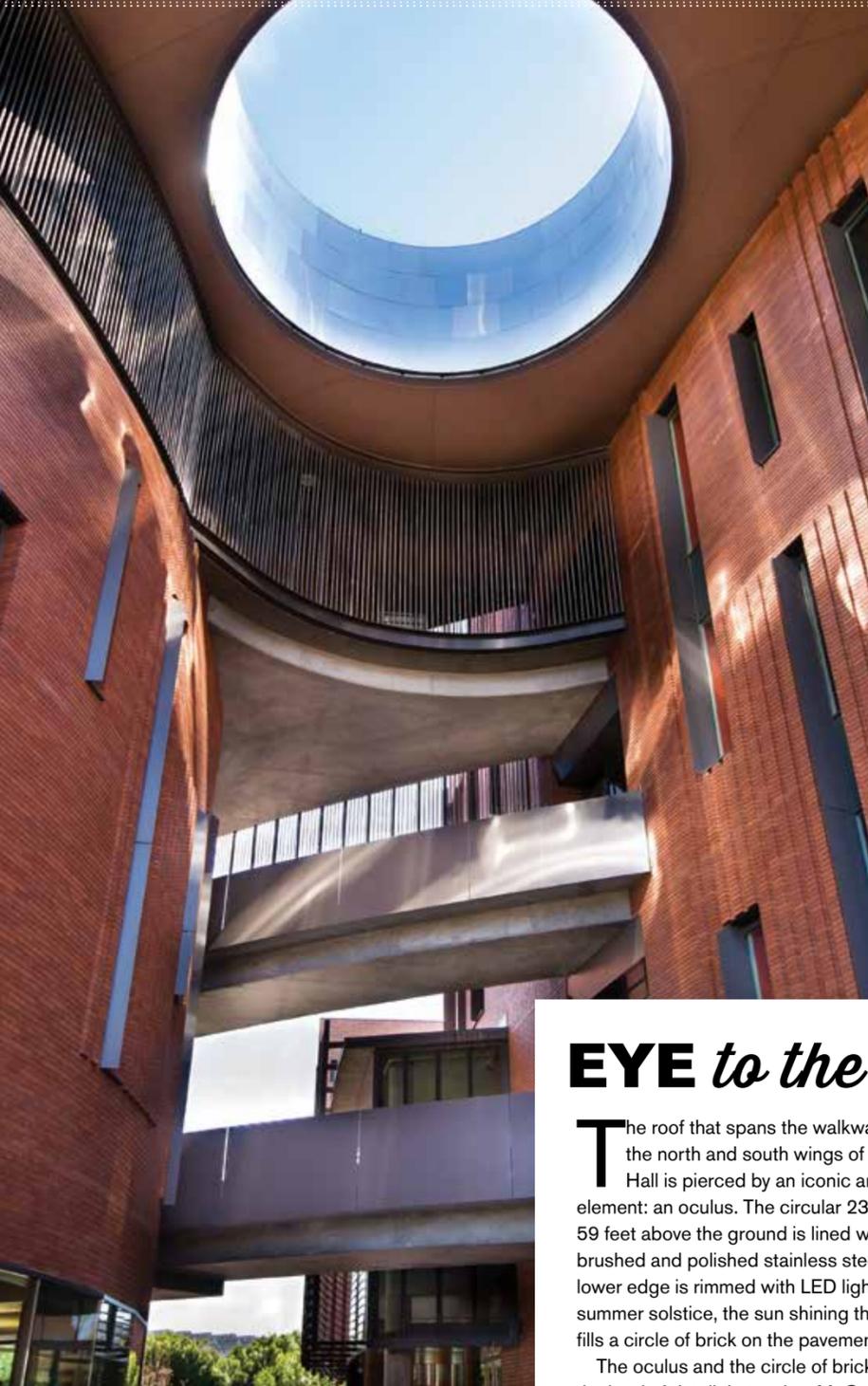
2000
Wesley Babcock
Neil Gallelli

2010
Matthew Moore

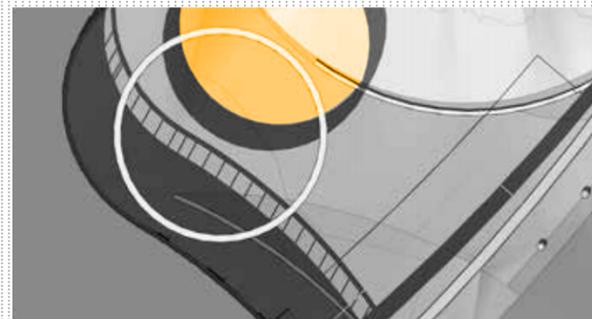
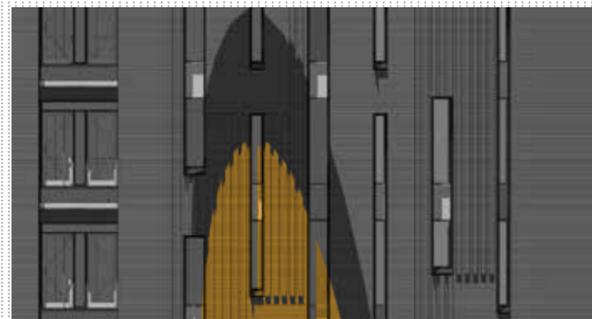
Professor Emeritus William Huizingh

Professor Emeritus of Accountancy William Huizingh, one of the first faculty members to join the school, died at the age of 97 on March 18. Huizingh, who arrived in Tempe in 1959, played a leading role in shaping the new college's programs until his retirement in 1981. He was the first director of the School of Accountancy, and served in several other administrative positions. He was devoted to his students, and the Huizingh Outstanding Teaching Awards recognize his support of excellence in the classroom. He is also remembered through the Huizingh-Mumford Scholarship, established by former student John Mumford. After he retired, Huizingh was also active at the Desert Botanical Garden in Phoenix.





The architects of McCord Hall used the oculus to produce a circle of light on the patio during the summer solstice.



EYE to the SKY

The roof that spans the walkway between the north and south wings of McCord Hall is pierced by an iconic architectural element: an oculus. The circular 23-foot opening 59 feet above the ground is lined with alternating brushed and polished stainless steel panels. Its lower edge is rimmed with LED lights. And, at the summer solstice, the sun shining through at noon fills a circle of brick on the pavement below.

The oculus and the circle of brick exemplify the level of detail that makes McCord Hall exceptional architecturally. Consider the exterior skin of the building: The architects from Kohn Pedersen Fox Associates in New York chose L-shaped bricks to create the look of corduroy

fabric. Together with the vertical fins that shade the building's tall narrow windows, the sun puts on a light show every day as the shadows lengthen and shorten.

The sun played a large role in many aspects of the building's design, starting with the positioning of the two buildings that make up McCord Hall. The wings were placed to take advantage of sun and shade throughout the day. Before noon the patio is open to the sun, warming students as they hurry to class on chilly winter mornings. But in the afternoon, the shadow cast by the curved north wing provides protection from the scorching rays of summer. In fact, the north wing was stretched to block more of the late-day heat. ■

84%

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^{1,3} Bureau of Labor Statistics, Employment, Hours, and Earnings from the Current Employment Statistics survey (National), <http://sata.bls.gov/cgi-bin/survey/most?ce> (Accessed on 6 August 2012).
^{2,4} Bureau of Economic Analysis, "GDP by Industry," <http://bea.gov/iTable/iTable.cfm?ReqID=5&step=1> (6 July 2012)

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