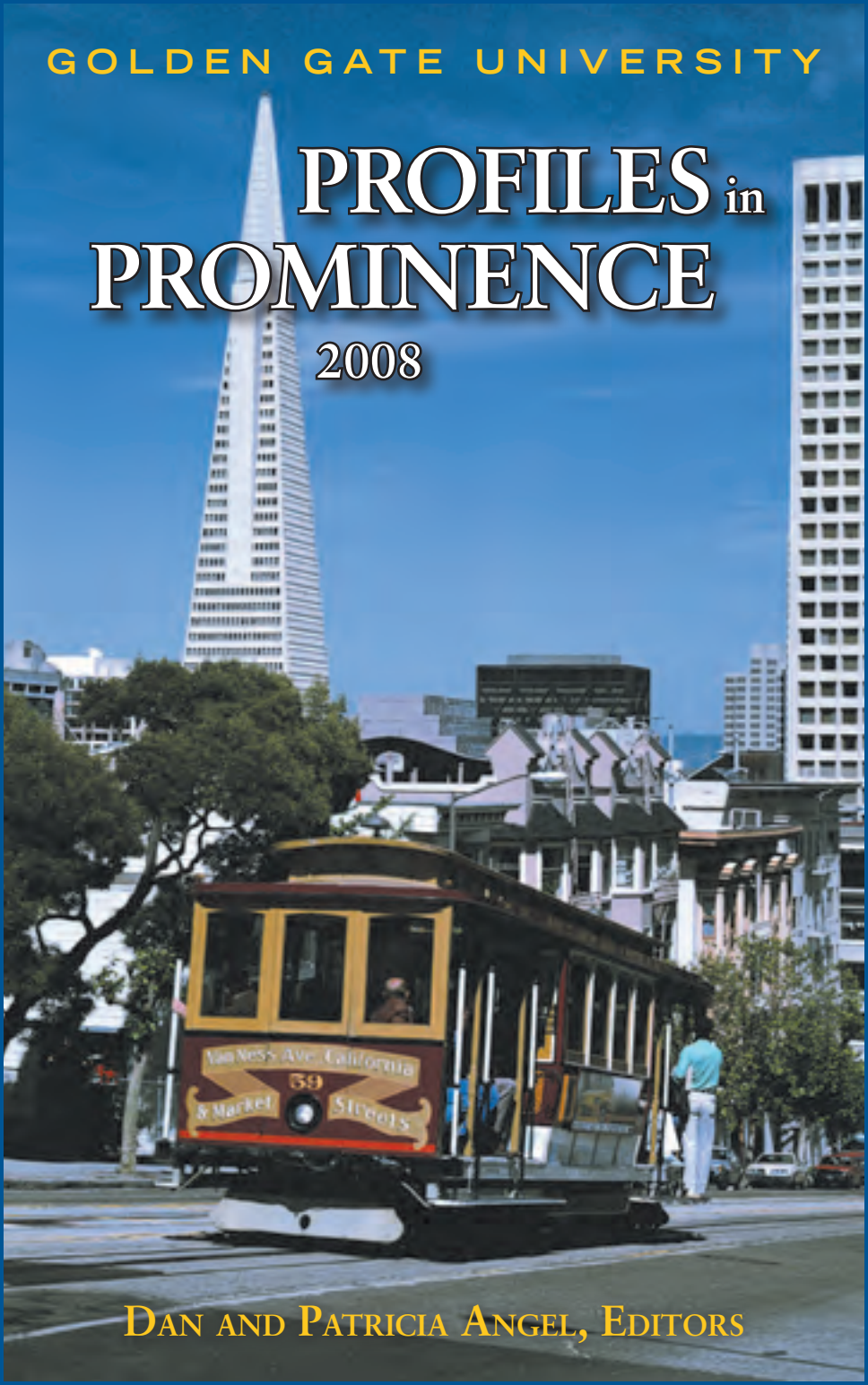
GOLDEN GATE UNIVERSITY

PROFILES in PROMINENCE

2008



DAN AND PATRICIA ANGEL, EDITORS

"Our ambition?
To be the best.
What else is there?"

- Lee Iacocca

PROFILES IN PROMINENCE

2008

EDITED BY

DAN AND PATRICIA ANGEL

Cover design by Morgan Dodge

Cover photograph by R. Morley / Photolink

Assistant Editor, Kara Nelson

ISBN # 978-0-9763423-8-0

Published by Golden Gate University
San Francisco, California

INTRODUCTION

Mount Rushmore, the Washington Monument, the Saint Louis Arch, the Golden Gate Bridge and even the cable car that climbs to the sky: all images of prominence. Breathtaking! Majestic! Magnificent! Inspiring! Enchanting!

Having been here at Golden Gate University for the past two years, we continually have been impressed with the achievements and success of GGU alumni, whom we have encountered all across America.

Discussing it one evening, we concluded that many of our 60,000 living alumni have indeed achieved prominence in their own right and that we should do something to chronicle their success.

This volume is the result.

The eight individuals whom you will meet in these pages truly capture Golden Gate University *Profiles in Prominence.*

We hope to continue to produce annual volumes celebrating these marvelous and astonishing stories of achievement.

It is also our hope that these beacons of success will serve as inspiration for thousands of future GGU students.

Dan and Patricia Angel
June 1, 2008

Table of Contents

RICHARD BELLUZZO: Reversing Gravity.....11

PATRICK COUGHLIN: Smoking Joe Camel.....25

LISA FARMEN: Following Her Bliss.....37

JOEL ISAACSON: Pioneering.....49

JOHN MARTIN: Virus Slayer.....59

RICHARD ROSENBERG: Meritocracy Master.....71

CHARLES STEELE: Number One in America.....87

BERNARD TYSON: Still Thriving.....103

"It takes a distinctive leadership process to paint the future."

- Richard Belluzzo

RICHARD BELLUZZO

Reversing Gravity

By Lenore McDonald

Dressed in a zippered outdoor jacket, plaid sport shirt and black jeans, Rick Belluzzo rose to greet me and nodded toward the counter where I poured myself a cup of coffee at the small cafe in the South-of-Market area of San Francisco. We rendezvoused early on a Monday morning, and I had expected someone in a suit, tie and shiny shoes, impatient to return to his Silicon Valley responsibilities following an unusually rainy Bay Area weekend. Rick smiled warmly as I joined him at the corner table at the South Bay Cafe where he frequently carries on business. Rick's casual manner is disarming, and as I learned during our interview, is characteristic of his leadership style.

Belluzzo is currently the CEO and Chair of Quantum Corp., the 30-year-old electronic records storage company located in San Jose, California, whose products store a trove of corporate data. The company sold its hard drive business in 2001 and Rick came aboard in 2002 charged with turning around Quantum and reinventing the stalwart storage company and former hard drive supplier into a storage systems company—a tall order in today's highly competitive information technology market.

Rick is a seasoned and prominent technology professional, having held notable executive leadership positions in the high technology sector including: Executive Vice President and General Manager at Hewlett Packard, President and CEO of Silicon Graphics Inc. and President and COO of software giant Microsoft Corp. Rick's career started more than 30 years ago when he joined Hewlett Packard after earning his BS in accounting at GGU in 1975. But Rick's work history goes back even further to his years as a youngster surrounded by the lush fruit groves of Sonoma County in California.

"Growing up in Santa Rosa was good. Everybody worked. My parents were immigrants; my father worked as a machinist. After he immigrated to the United States, he was a garbage collector in San Francisco. I attended the local schools and high school, and I worked after school. It was important to work to pay my way in life. I picked fruit as a kid and worked in an upholstery shop in high school. When I got a job at J.C. Penney selling shoes, I began interacting with people more than I did in the manual jobs, and I never looked back."

"I have two sisters. My younger sister still lives in Santa Rosa, and my older sister lives in Reno. During my career, I traveled widely and I have lived all over. Just recently, we returned to California and we have a place in Sonoma County near my parents. Getting together with my parents for dinner is a special time. Dad is 89 now and I treasure these opportunities. We watch Sunday Italian league soccer together. My father was notable for starting youth soccer in Santa Rosa and I played soccer as a kid. I remember signing up for the first official teams when I was 11 years old —there were only 20 of us."

Going to college was not a tradition in his family; Rick was

the first and only family member who graduated. "In some ways I was typical of what GGU stood for. I attended Santa Rosa Junior College and had to pay my own way. The tuition was $11 per semester! I came to GGU because I had to work while finishing my degree. I took day classes and some night classes and was hired as an intern at Hood & Strong. It was a focused life. I took the bus back and forth and had classes in the morning, in the afternoon, and I worked in the financial district and studied on the bus. It took me 4 years and one additional semester to complete my degree."

"My entire family was there when I graduated. I still remember it. GGU really worked for me. It was good for people in my circumstance, though I realize I didn't get the full, social experience. My experience was different, that's all. I have no regrets. I had to work, finish the degree and then get a job. And GGU delivered."

Rick went into accounting. "I was going to get a degree in management, but one day I was challenged by a family friend who asked me what I was going to do when I graduated. I really didn't know. He suggested I get into accounting. Practicality was the whole theme. I was excited about going to work and earning a salary."

Rick's experience provides a good example of how GGU fulfills its mission to provide practical experience to its students. "It turns out that while I was at school, all the jobs I landed came via Golden Gate University! My tax instructor worked at Hood & Strong. After I earned an A in his class, he invited me to intern there. Then I took a cost accounting class with an instructor who worked at Hewlett Packard, which allowed me in a roundabout way to get a job at Hewlett Packard when I graduated. Learning and going to work—it fit together quite well. I can't describe anything more practical than that!"

It is clear that Rick credits his experience at Hewlett Packard

with sculpting his professional personality and honing his leadership skills. He started with HP in their Santa Rosa office, before moving to Boise, Idaho, where he spent most of his effort establishing the company's laser printer and imaging divisions. Rick shared how the corporate environment at HP supported his growth as a corporate leader in the computer industry.

"I was fortunate to work at HP when Bill Hewlett and David Packard were still active and influential. To be a leader at HP, you needed to be hard headed and soft hearted, and that's probably the best description of my style. I needed to be hard headed about getting results and making decisions and having a high standard for excellence while at the same time being soft hearted. When you have an employee who is not doing their job, are you "soft hearted" and help them develop? Or are you "hard headed" and say, "That's enough!" The reality is that those are two conflicting features, and you learn that finding the right balance under the right circumstance is what matters. At HP, I learned I could make mistakes—big mistakes—and I still could continue on as long as I learned from the experience.

"I remember one terrible mistake I made while running the laser printer division at HP. I was driving hard to get the first laser printer to market under $1,000—which today you might laugh at, but back then was a big deal. We thought that would be an inflection point in the market, and we wanted to be the first to achieve it. I thought that if we could meet certain volume levels, then suppliers would meet a certain price, and we could put it all together. We were struggling, and during my negotiations with an engine supplier in Japan, I committed to certain revenue and volume levels to meet my retail price point.

So, we finally had our $999 laser printer, and it was important in the market, and for me, to deliver on that. But things didn't ramp up at the levels I committed to, and before long we ended up with roughly 350,000 printers in inventory. And I remember walking into this big winery somewhere in the South Bay that HP leased to store them all and thinking, "Unbelievable! What am I going to do?"

"I had to solve the problem of not only moving inventory, but also slowing down production, so I flew to Japan to talk to our supplier. During hard negotiations with the company, I committed to the Japanese management team that I would go to the factory located in a rural part of Japan and apologize.

I will never forget walking onto the factory floor to address thousands of people assembled there in their lab uniforms, and me standing in my business suit, bowing my head and saying, "I'm sorry, I failed." I learned a lot about the Japanese culture and the importance they place in the commitments they make to their employees and their suppliers. My not delivering had a ripple effect on each co-worker and their entire community. I felt awful.

"And the good side of this story is that HP let me get through it. The factory shifted into something else. There was no panic—just this culture of real support. I worry whether that type of support can exist in companies anymore, and that minimizes the opportunity for people to learn. Today, after one bad move, you're likely gone. I can tell you that when I face similar situations today, I don't make that same mistake, because I remember standing in front of those Japanese workers in the factory with my head bowed saying I was a failure! No, that was not a pleasant thing to do, nor was seeing 350,000 printers stacked up in inventory."

Rick was pensive as he recalled his decision to leave HP after 22 years. "It became time to decide whether to try to become the CEO of HP or to try something different. That was a big decision. I probably took it more lightly than I should have! It seemed like a natural thing to do. I felt strong and experienced, when actually my HP experience was unique and didn't map 100% to my new situation. I would come to quickly realize that I had to understand what my deficiencies were and start to fill the gaps."

Belluzzo resigned from Hewlett Packard in 1998, and left Boise, Idaho, to become President and CEO of Silicon Graphics Inc. in Redwood City, California, a high-end graphics computer manufacturer, which at its peak boasted annual sales of $4 billion and employed 10,000 people. SGI became the proving ground where Rick experienced one of his major "lesson learned."

"The biggest professional challenge I was most unprepared for occurred when I assumed the leadership role at Silicon Graphics Inc. SGI was in a lot more trouble than I had understood. They had completed an acquisition, and the dynamics, politics, and loyalty across the organization were fractured. HP was genteel in comparison. I realized that I needed to be tougher, stronger and more decisive. I could not consensus my way through things by getting the right people in a room, listening and continuing to push things along. I couldn't get SGI's people to drop their deep seated beliefs and to trust a collaborative process. That was the style at Hewlett Packard, and it wasn't going to work at SGI."

During Belluzzo's tenure from 1998-1999, SGI's graphics products were eclipsed by the desktop PC. Under Rick's leadership, the company made significant progress to reposition its business in the rapidly changing market. "But this is where I learned that being

on the wrong side of gravity can be deadly." Six years after his departure, SGI filed for bankruptcy and was de-listed from the NYSE in 2006.

During the Internet boom, retaining talent was a key challenge for technology companies, as its employees were constantly being lured away by the fast returns and fortunes of the dot-com frenzy. That led Rick to re-think aspects of his career. He met Microsoft Corp. founder Bill Gates and President Steve Ballmer while building the imaging and consumer products division at HP. As colleagues in the personal computer and imaging business, they worked well together and the two companies were closely aligned. When Ballmer first approached Rick about working with the famous team at Microsoft, Rick held back having committed to SGI. However, he was excited about the potential of building the Consumer Products and Internet services divisions at Microsoft, and in late 1999, after 6 months of discussions, Belluzzo accepted Ballmer's offer to head up Microsoft's Consumer and Commerce Group, which included MSN Internet services, the XBox video game and a series of other consumer-oriented businesses. In February 2001, he assumed the role of President and COO.

Three years after joining Microsoft, in April 2002, Rick resigned when it was agreed that a widely publicized internal reorganization to decentralize operations and fiscal responsibilities of its individual business units would challenge his ability to lead the giant software corporation as originally proposed.

"Microsoft was a great experience. My work with their Consumer and Internet divisions built on my experiences at both HP and SGI. But taking on the COO role and managing operations in that complex corporate environment moved me away from consumer prod-

ucts, and it was hard to believe I could make a difference."

After leaving Microsoft, Belluzzo was enlightened by Barry Diller, the highly-regarded CEO and Chair of IAC. IAC operates leading and diversified businesses in sectors being transformed by the Internet, including Expedia, Ticketmaster, Lending Tree, RealEstate.com, Match.com, Citysearch, and Evite. Diller spoke persuasively about the evolution of the Internet in the technology industry and the need for leaders with Rick's skills to help troubled companies through transformation. Rick was inspired to look at the opportunity to run Quantum Corp., where he is currently President and CEO.

Belluzzo admits that he continues to learn and he is tough on himself. "I am shocked at how long I've been doing this and how I continue to think about how I did things this way instead of that way. I try to be self-aware and recognize what I do well and not so well. Most importantly, I try to remain open to feedback. A boss at HP helped me realize that people oftentimes don't want to tell you the truth, because giving bad news is just too hard. My job is to make it easier for people to tell me what I don't want to hear. That is especially true when you are the boss in technology companies, because there are always problems when you are trying to get new products out. My job is to encourage people when they give me bad news, and deal with the problems."

"I like to work collaboratively, and I still believe I don't have all the answers. "Get smart" is a phrase we all use around Quantum. When we don't have the framework yet to make a decision, we gather people together to talk things through and "get smart." For instance, I have five to six people gathering for a few hours this afternoon to "get smart" about our technology architecture, because we have not

reached a consensus yet about what we should do next. I want to get several points of view to get smarter about the options. We may not get to an answer today, but we'll move closer, and over a period of time we'll get clarity."

Belluzzo relies on his team for substantive information, and Belluzzo finds himself applying everything he has learned thus far as a leader to make the tough decisions at Quantum. "We're in the process of a transformation and it's the most aggressive, challenging thing I've ever done. We're a 30-year old storage company and former hard drive supplier. The company sold its hard drive business—which accounted for 80% of its revenues—in 2001, and I came on board in 2002, inheriting a set of assets and challenges that has led us to redefine the company.

We are leveraging our foundation in the tape business to develop new types of storage technology which allows people to more efficiently protect and recover data. It takes a distinctive leadership process to paint the future. When hit with adversity, it is my role to lead people through it. Taking a company through a transformation provides a phenomenal opportunity, and one that technology companies go through only if they're lucky enough. The skill set one acquires to reinvent a company is extremely valuable. I remind my team that we are in the early phases of a new opportunity 'to get from the wrong side of gravity to the right side of gravity.' It's tough work.

"There are three important things for someone to be a part of our management team. Because we are a functional organization and distributed physically, we need someone who can work across boundaries, which includes functions, sites, and technologies. A lot of people struggle with that, so we look at that carefully. People need to collaborate and communicate well.

Secondly, our leaders need to have deep knowledge and be hands-on in the execution of their tasks.

Thirdly, there's the leadership, directional and vision side, which in the case of engineering might be strong technical skills, or in the case of marketing might mean strong sales skills. We are not a large enough company to subdivide, nor are we small enough to have a single dimension. You have to be multidimensional, and we each have to 'carry our own water' in terms of the way we get things done."

Rick acknowledges that being CEO requires personal sacrifices. "The amount of pressure is difficult to measure, especially in today's investor-driven environment. Delivering quarterly results is demanding, especially during transformation. You're as good or as bad as your last quarter. So, as you go through the quarter, you feel kind of relaxed the first month dealing with longer term issues. During the second month, you find yourself thinking about the quarter at hand, even though a single quarter may not be indicative of where the company is headed while transforming. But that's the way it works, and the investor world is highly vocal about it. But short term orientation is not healthy in terms of creating value in our economy."

A second taxing aspect of leadership for Rick is the travel. "I have to be in a lot of places to manage our various remote locations. I spend at least half my time on the road. It takes away from your personal life and your family. It is what it is."

"I didn't aspire to become a CEO or have early signs that I was cut out to be one; it was entirely incremental. I always tried hard to do what I had to do and to do it well. Eventually, I start to see what I want to do next because I want to be changed and to be challenged. So, my career has evolved step by step. I enjoy being a CEO, but I am not the type of guy who insists that is the only thing I can do. I

want a role where I can make a difference, move the ball forward and feel like I've had success. I want to be in a role where I can learn and influence people for the good.

"When I left Microsoft, I started doing motivational speaking as a hobby, and I have spoken at 30 events over the past 5 years. I learned about leadership and life from many people while on the speaker circuit, including motivational speaker and corporate training czar, Zig Zigler, who often appeared with me on the program.

We both preferred the morning slots, and we would often hang out in the green room together. I would say, "Good morning! How are you?" to Zig, and he would always reply, "Better than good!" I learned there is value to being positive and optimistic. Today I have no single person I call my mentor, though I do get called on for advice." Rick serves on the boards of JDS Uniphase Corp. and PMC Sierra, both examples of post-dot.com companies trying to redefine themselves.

"My wife, Charlyn, is ambitious and positive and another example of lifelong learning. She just finished her PhD. We learn from each other's experiences and like to have fun doing things that are departures from work." Rick and Charlyn were heading to Costa Rica to go mountain biking for a week.

When asked how he will spend his time in retirement, Rick yearns to get back to his Italian roots and to use what he has learned to help influence peoples' lives. "First, I want to recapture my Italian culture. I signed up for a Saturday class to recover my language. We grew up speaking Italian at home, but it's mostly gone now, so spending time in Italy, speaking the language again and getting close to that culture is something I want to do."

"When I was doing motivational speaking, I would invari-

ably receive feedback along the way that I helped somebody. I don't know what form it will take, but I would like to write or speak or teach people about how to lead through transformation. That is so vital, and so few people understand it.

Rick is going to become a grandfather this year, but whether it is with his grandchildren, students or business leaders, Rick hopes to impact people's lives in a positive way.

"GGU was a perfect fit for me. It is a special place. I enjoyed my time there. GGU's mission to offer practical education to working adults is worth more today than ever. GGU continues to serve a real purpose in the needs of working people, just as it did for me. In the past you went to college and then to work for one company where you stayed and worked, and that tended to be what you did for the remainder of your career. Now, that's not good enough. We have to think about reinventing ourselves during our careers, and having a formal academic process to support that changeover is essential."

Rick continues to redefine gravity!

Interview with Richard Belluzzo on February 11, 2008.

Lenore McDonald is Director of Annual Giving at Golden Gate University.

"Defense counsel thought I was a Californian and called me a surfer boy."

- Patrick Coughlin

PATRICK COUGHLIN

Smoking Joe Camel

By Frederic White

Born in Germany, raised in Arizona, educated in California—with a side trip to Mexico—Patrick J. Coughlin (GGU Law '83) has taken a circuitous and adventurous route to become the Chief Trial Counsel for Coughlin, Stoia, Rudman and Robbins LLP, one of the country's most prominent law firms specializing in class actions, with its headquarters located in downtown San Diego, California.

Besides being a "name" partner at the firm, Coughlin has forged his formidable legal career by serving as lead counsel in a number of high-profile securities cases, including the famous Enron matter, in which his firm recovered over $7 billion for disgruntled investors.

An avowed nonsmoker, he was plaintiffs' counsel and heavily involved in the infamous ***"Joe Camel"*** cigarette ad campaign which targeted teenagers. His persistent work in that hotly contested matter helped secure a $12.5 billion judgment for the cities and counties of California.

But Patrick's successes against corporate wrongdoers did not come overnight. Rather, he laid the groundwork for his high-profile

litigation career with his service in the Department of Justice Honors Program, as well as in the offices of the United States Attorney, in both the District of Columbia and in the Southern District of California. In those positions, he went after big-time criminals, including occasionally, murderers for hire. Not bad for an Army brat born overseas.

The third of four siblings, Patrick Coughlin began his childhood as the son of military parents, Daniel and Lillian Coughlin. He was born at a United States military installation in Frankfurt, Germany. His father, an Army Major born and raised in New York City, was drafted into World War II at the age of 18. His father was also a Korean War veteran; his mother was an Army nurse. After his service in Germany, when Patrick was three, the elder Coughlin packed up his family and brought them to America, where they settled in at Fort George Meade in Maryland.

Nearing retirement from the Army, Daniel Coughlin began to ponder where he wanted to raise his family. He was a native New Yorker. In contrast, his wife was from Arizona, where at the time, places like Phoenix, Tucson and Scottsdale were still sleepy little towns.

After discussing where they wanted to live, the Coughlins decided to move their large family to Phoenix, for a better way of life and, hopefully, better job opportunities. Once they moved, they found that Mrs. Coughlin, now a school nurse, had an easier time securing employment than did Mr. Coughlin. According to Patrick, "It was harder for somebody who was 47 when he retired from the Army to get a good job in Phoenix, which was a small town then, somewhere around 5,000 people. My mom was a nurse, so she had an easier time. She was a school nurse for 25 years."

Patrick's father has long since passed away. His sister, Lillian, a producer of the television program "*Good Morning Arizona,"* still resides in Phoenix with her two children. One brother, Ted, is a lawyer who works for the US Attorney's office in the Drug Task Force in the Southern District of California. The other, Michael, works for the Massachusetts State Lottery in Boston. Patrick jokingly says that "Michael refuses to give me any tips on the lottery."

It would be easy to say that Patrick wanted to be a lawyer from the beginning, but that would not be the case. He was a good student who originally wanted to be either a veterinarian or a medical doctor. He also loved sports. His principal high school extracurricular activities were football and track.

"I played cornerback in high school. I also had the third-fastest intermediate hurdle time in the state when I was a senior and the fifth-fastest high hurdle time. I was offered football scholarships to both Arizona State and the University of Arizona and I was seriously considering them. They were both in state and my family would have been able to see me play." But remaining in Arizona was not to be. This time his destination was Northern California.

Buoyed by football scholarship offers from two large, well-known universities, it seemed that Patrick Coughlin's natural career progression would be to play for either the Arizona State Sun Devils or the University of Arizona Wildcats, but his guidance counselors at Delphi High School in Phoenix had other plans for him. Delphi was a Jesuit school, and his counselors felt that Patrick would get a better education at a Jesuit college than he could at either Arizona State or U of A. Accordingly, they steered him to Santa Clara University a Jesuit college located in Northern California in what is now part of the so-called "Silicon Valley." He received a half academic, half

athletic scholarship.

Patrick became a pre-med student at Santa Clara, where he also played cornerback on the football team. "I did that for a couple of years," he says. "Then I got hurt. Ended up coaching for the last year and a half—I had too many concussions."

His football career ended, Patrick turned to coaching and going to school in, of all places, Pueblo, Mexico, located about 10 miles southeast of Mexico City. How did that happen?

"Well," explains Coughlin, "U of A was the medical program I was trying to get into." They counseled him that it would be to his advantage to get a bachelor's in biology or chemistry, and then apply to medical school. "So I went right away to a program in Mexico. I needed to support myself, so they were going to pay me to be a football coach at the university. And so I thought, 'Oh well, I will just go down there and do that,' and it was a good experience."

Although not fluent in Spanish, Patrick had taken some Latin and Spanish in high school. He spent six months in Mexico—going to school, coaching and catching up on his Spanish. He had originally wanted to be a veterinarian when he applied to medical school, but after working in a hospital for an entire year, he decided that med school was not for him.

Patrick next applied to Santa Clara School of Law, his college Alma Mater.

"I applied late in the process to both Santa Clara and Golden Gate and Santa Clara told me their process was closed. Golden Gate, on the other hand, looked at my grade point average and admitted me. It turned out great for me in so many ways because of the atmosphere at Golden Gate."

He painted houses in the summer because he wanted to go to

law school full-time. Patrick was slightly older than some of his classmates in the day program at Golden Gate; most of them had recently graduated from college. In spite of the age difference, he developed close relationships with his classmates and his professors, particularly Bernie Segal, Myron Moskovitz, Tony Pagano and Roger Bernhardt. He was especially impressed that his instructors were excellent teachers who also "brought a real practical side to their teaching."

Patrick was always a "self starter." During his second year of law school he took it upon himself to seek employment with the San Francisco US Attorney's office. He recalls, "My roommate was going to interview in the civil side (of the US Attorney's Office), so I walked over there with him. They gave me an interview on the criminal side, and I started working there. That led to trying misdemeanor cases at the end of my second year of law school and into my third year. It was unusual for a student to have those kinds of experiences, but at the time Golden Gate encouraged practical experience, including getting practical experience while you were in law school. So I did that."

Patrick credits Sandy Scetcov, the first assistant in the US Attorney's office in San Francisco at the time, as one of his early mentors. Their relationship has endured, and now Sandy is one of Patrick's partners in the Coughlin Stoia firm. "Sandy kind of watched over me," Patrick says. "Later on, he picked me to interview for the Department of Justice Honors Program."

Coughlin's most lasting impression of GGU Law was "there was always somebody there that wanted to help me do something or understand something, or get to the next level of something. There was never any criticism without guidance. And if there was a need to

reach out—let's say it was [for?] Law Review or something else I was doing—my advisor looked it over."

Although he was a full-time day student, Patrick often took night classes. In addition to supporting himself and going to school full-time with a challenging schedule, he also managed to become Notes and Comments Editor of the ***Law Review***. Although his work schedule made his life difficult, he worked hard enough in school to finish the Department of Justice Honors Program in the appellate section.

After law school graduation, Coughlin moved to Washington, DC and did a stint at the US Attorney's Office, trying cases. After getting a taste of trial work, he returned to the Department of Justice, requesting that he be transferred to the US Attorney's Office. Protocol at the time did not allow for transfers, so after a few years with the Department of Justice, Patrick took the calculated risk of quitting the Justice Department with the hope of being rehired by the US Attorney's Office. His gamble paid off. After a few years at Justice, he worked for the US Attorney's Office in Washington, eventually moving on to the office in Southern California.

He worked in Southern California for the US Attorney's office for two more years before going into private practice. His years of trial experience with the Department of Justice and the US Attorney's office prepared him well. While in Washington, he acted as co-counsel with another federal prosecutor trying the largest RICO (Racketeer Influenced and Corrupt Organizations Act) case the government had ever tried at that time, *United States v. Brown.* The trial lasted six months, resulting in a verdict in the government's favor.

Another case, *United States v. Boeckman*, involved an infamous oil fraud scheme resulting in a complex murder-for-hire trial.

The case involved a plot to shoot an Oklahoma congressman, and also concerned issues of criminal prosecution across state lines. Although the criminal acts occurred in Oklahoma, the case was tried in California, the location where the defendants had been hired to act as hit men. Patrick recounts the bizarre testimony of one of the men who, having been accused of lying on the stand, boldly declared, "I may be a murderer, but I am not a liar."

Coughlin does not recall exactly when he decided to make the transition to private practice, but almost immediately after going into private practice he became immersed in large class actions suits involving corporate securities. One of his largest cases was against Apple Computer in which he obtained a jury verdict of over $120 million. The case was ultimately settled, but it got him started on an interesting career. He was fascinated by what he began to learn.

"When you do this kind of work, you get to examine a lot of companies and their problems—whether it was the savings and loan disaster, the junk bond disaster, or things that have befallen the high tech-biotech industries coming to the brink. Then there were the disasters that went on in the late '90s and early 2000: *Enron, WorldCom*, Global Crossing meltdowns—some of the biggest financial frauds that have ever hit our markets."

Eventually, Coughlin became the lead plaintiff's attorney in the *Enron* case, representing the University of California Regents, which had suffered a $140 million loss through its investments with Enron. As the lead plaintiff's counsel in the class action suit against Enron, Coughlin's firm has recovered $7.2 billion…so far.

Unlike some of his contemporaries, and some of the pundits, Coughlin does not have a condescending view of the jury system. "I have a different view of jurors," he says, "I see them as extremely

sophisticated in coming to the right conclusion, even if they brush over many of the technical details that so often might trip them up. Jurors are pretty perceptive of what is right and what is wrong in a given situation, but are often criticized for skipping a few steps to get there."

Coughlin admits to having suffered a few big jury losses, but concedes that it goes with the territory. He recalls that he once tried a Big Tobacco case in Ohio on behalf of union pension funds. According to him, over 400,000 union members were being impacted by the costs associated with years of smoking while the tobacco companies continued to conceal their knowledge concerning the dangers of smoking. The jury was not convinced, taking the position that "you take responsibility for your own decision about whether you smoke or not."

Coughlin adds, "Defense counsel thought I was a Californian and called me a surfer boy. I understand that, and yet I think I must have done a poor job of getting the idea across that, yes, everybody understood that smoking was bad for you. But what people didn't understand is how addictive it was at an early age, and when you make a decision to smoke between 12 and 17, you can't have the same comprehension of how deadly the addiction."

But all was not lost for Coughlin in his battles against tobacco companies. It took years and a few losing cases in succession before his firm was able to produce evidence that the Joe Camel ad campaign had been outlawed in France and had been tested in Canada for its particular attractiveness to teenagers. With these "smoking guns," he was eventually able to force a large settlement with Big Tobacco. His firm represented the cities and counties of California and settled for $12.5 billion.

Patrick's class action practice takes him all over the country. He is known as a tenacious litigator. His style and attitude are born out of what he calls the opportunity to "do the right thing when you can and help others, so when you see big corporations with no reason to be deceptive and they continue to do it, then someone has to step up and try to do something about it. I guess that's me."

Because of a combination of high-profile cases and some internal strife brought on by the departure of a former partner, Coughlin's firm has garnered some high-profile media attention over the years. He disagrees with those who think such attention is always bad.

"At different times," he observes, "some of the media attention actually helps us because somebody would see us in the media. For example, in some of the tobacco cases, different scientists would come to us with new information that we never would have uncovered on our own."

Since Patrick is a courtroom lawyer at heart, managing a firm that carries his name does carry a price. He continues to personally litigate cases all over the country, but it has become more difficult to meet individually with clients like the UC Regents or the various boards of directors of pension funds his firm represents. It does help that the firm has offices in San Diego, Los Angeles, San Francisco, New York and Florida. Sometimes, for big cases like Enron, the firm will establish "satellite" offices in cities like Houston that will be around until the case finally winds down.

Believe it or not, even with his frenetic schedule, Patrick occasionally has time to relax. His favorite spot is located in the Aisen region, found in the middle of Chile. Says Coughlin, "It is just a beautiful place, with big glacial streams and the Andes rising up 14,000 feet behind you while you are down about 3,000 feet and the

water rushes by. And it is nice because their summer is our winter, so you can go down there in a t-shirt and you can fly fish to your heart's content. It's very peaceful."

Coughlin attributes his success as an attorney to both motivation and good fortune. He feels lucky to have received the kind of education that his father did not have the opportunity to secure. Further, he feels fortunate to have been helped along the way by many people, including his professors at Golden Gate Law.

"I have never taken my opportunities for granted, and I try to make the most of them," he says.

Patrick's immediate and long-term goals are ensuring the financial health of the firm that bears his name. But, despite his busy schedule, he still hungers to try the big cases.

Interview with Patrick Coughlin on February 5, 2008.

Frederic White is former Dean of Golden Gate University's School of Law and is currently Dean of Texas Wesleyan University School of Law in Fort Worth, Texas.

"Water treatment is good, so why does two-thirds of the world not have it?"

- Lisa Farmen

LISA FARMEN
Following Her Bliss
By Janice Carter

Lisa Farmen's passion is water, and her vision is to provide clean, clear affordable water at a price even the poorest in the world can afford. Lisa asks: "Would I have tackled a project as big as bringing to market low cost water purification technology to the majority of the world's population if I had not gone back to school to get an EMBA degree focusing on International Business? . . . Not on your life! I'm sure my dreams prior to obtaining an EMBA from Golden Gate University would not have been that big."

Lisa's father died in a logging accident when she was three years old. Lisa's mother, who was then in her fifties, went back to college to obtain her four year degree and her master's degree. Her mother was a teacher who instilled in her two strong convictions: a college education is something that cannot be taken away from you, and a woman with a college education and two business suits can go anywhere.

While Lisa's mother was in college, she met a woman named Corinne Reiter, who became a mentor pointing Lisa in the right di-

rection when difficult decisions had to be made. Lisa recalls, "The last time I saw Corinne was in Los Angeles in a Senior Center and she asked me where I wanted to be when I was 50. I was in her kitchen cooking breakfast for the two of us and realized Corinne was over 85 and I was the only person she could possibly be talking to and dang near gasped when I took in the word *FIFTY!* It shocked me all the way back home and I enrolled in GGU's Executive Master's in Business Administration (EMBA) program in Monterey immediately."

Lisa found GGU's EMBA program intense, but she liked the team approach where members went through the program together and made sure everyone in the cohort succeeded in the program. Lisa was then the lead engineer for a $220 million dollar capital equipment expansion for Texas Instrument's complementary metal–oxide–semiconductor (CMOS) fabrication (fab) plant in Santa Cruz. She worked seven days a week with two days off a month and ran a 16-acre farm in Watsonville. She says, "I have never pushed myself and produced more than during that two year period. I learned where my boundaries were and that I could, in fact, perform well at high levels of productivity." Lisa credits the EMBA international trip to England and Ireland with helping her understand international business and learning how to set up a global business.

Ten days after she finished the EMBA program, Lisa received a phone call. She learned that her nephew had been paralyzed in a sledding accident the day after Christmas. She left her job and her farm and returned to her family's home in Oregon. For the next five years, Farmen devoted her energies to helping her family deal with the aftermath of this devastating accident. She also helped elderly family members make the transition to senior care facilities.

But what about her dreams? Five years after obtaining her MBA degree, it was time for her to go back to work, but she had not yet "test driven" her EMBA. Lisa's partner gave her the encouragement she needed.

"How you know you're married to the right person," Lisa explains, "is when they put your needs ahead of theirs or what they might want for you. My partner quoted Joseph Campbell's advice to 'Follow your bliss and doors will open where you did not know there were doors.' Spoken like a true English Literature Major (the degree held by my better half), I thought. 'Right,' I replied sarcastically, 'I'll get right on that.' "

While Lisa was taking care of her family, she had plenty of time to think about her bliss. She could only think of one area she was still passionate about: clean water.

Her passion for clean water started in 1976. While she was a student at Colorado State, Lisa worked in a water laboratory for an environmental consulting firm, M&I Consulting Engineers, in Fort Collins, Colorado. The field work took her to Fort Saint Vrain, near Platteville, Colorado, where she sampled water for contaminants on a nuclear power plant site. Lisa says that the experience working for M&I "steered my career path from veterinary medicine to biology, chemical engineering, and radiation physics. Further analytical work at Rocky Flats, near Denver, also motivated me to consider working on the cleanup of contaminated water as a career option."

After graduating from Colorado State in 1980 with a degree in biology, Lisa moved to the Silicon Valley and worked for EMCON Associates in San Jose, analyzing water, hazardous waste, and soil samples. Her employers encouraged her to find other water testing clients, so she developed accounts with electronics manufacturing

water fabrication facilities. When regulations were established requiring manufacturers to install water and wastewater treatment equipment, Lisa teamed with three people to form Ecology Protection Systems (EPS), which designed water and wastewater treatment systems to remove heavy metals, fluorides, and other toxic contaminants. She credits David R. Wood of EPS with "turning me into a better water chemist than I ever would have been on my own." She praises Lacy Thomas of EPS for empowering her to learn engineering, manufacturing and design.

Farmen then started a capital equipment company, Waterworks Technologies, Inc., an early adopter of ion exchange technology to remove metal from water. She joined Texas Instruments' worldwide water team and worked to expand their water fabrication facilities in Santa Cruz. While she was working on the fab expansion, she enrolled in and finished the EMBA program at GGU, completing the international finance portion in London and Dublin. After leaving Texas Instruments in 2001, Lisa worked with Sandia National Laboratories.

In 2005, she teamed with her business partner, Jim Harris, to write a grant for the National Science Foundation (NSF) Small Business Innovation Research (SBIR) program to develop nanotechnology which could remove both biological and chemical contaminants from water, at a cost the majority of the world's population could afford.

The process Lisa and Jim developed also removes pharmaceutical drugs found in drinking water. Lisa explains, "I am pursuing the vision and dream for low cost water purification because people will not stop using water to wash away their waste products. There will always be chemical and biological contaminants discharged into water supplies that eventually become the raw water source for

drinking water. So being able to remove these contaminants from drinking water is crucial." The problem is especially severe for children, because children under the age of 12 "bioaccumulate these contaminants at a rate ten times that of an adult."

Lisa is concerned that neurological disorders such as autism and Alzheimer's could have a root cause in bioaccumulation of toxins in water and/or food. She feels that contaminants in water can be taken up by agricultural crops and enter the food chain. She cites studies indicating that rocket fuel (per chlorate) was found in women's breast milk in Southern California.

In an article she wrote for the *Global Child Journal*, she pointed out that one fourth of the earth's population does not have clean water and two-thirds have a severe water shortage. An estimated 4 billion people (two thirds of the world's population) suffer from diarrhea, due to poor quality water. Diarrhea results in 2.2 million deaths per year and most of those dying are children. In developing countries, as many as 80% of the deaths are water related. It is estimated that over 1.8 million people die each year from water-borne diseases including cholera, typhoid, guinea worm disease, diarrhea, polio, dengue fever and trachoma.

High levels of arsenic have been found in water supplies in many parts of the world. In Bangladesh, more and deeper boreholes were sunk to obtain better quality water, but the water obtained was heavily contaminated with arsenic. Long term consumption of arsenic causes arsenosis, which can cause cancer and death. Seventy million people are at risk for arsenosis in India, China, Vietnam, Pakistan, Nepal, Myanmar and Cambodia.

In February 2005, Lisa Farmen met Lenore McDonald, then Alumni Director for Golden Gate University, at a GGU alumni ex-

cursion to the San Francisco Ballet. Lenore, inspired by Lisa's commitment to developing inexpensive ways of purifying water, introduced Lisa to me. Other staff members of the University Library and I were delighted to work with Lisa, to assist her on the research she needed to bring her dream to fruition.

Lisa and Jim Harris formed Crystal Clear Technologies, Inc., to pursue the National Science Foundation SBIR grant opportunity. David Kent, Associate Professor and Chair of the Management and Operations Department at Golden Gate University, had met Lisa on her EMBA international trip to London and Dublin. He encouraged Lisa to submit a proposal for an EMBA team to develop strategic plans for Crystal Clear Technologies.

Several members of EMBA Cohort 54 worked on a U.S.-focused strategic plan for CCT throughout their EMBA program. It was a challenge because Lisa seems to move faster than the speed of light, and opportunities were constantly increasing. At the final project presentations, Nabil Rageh, Operations Management Professor and Project Manager for the EMBA projects, commented: "and the situation has changed entirely in the last three minutes, as Lisa was speaking."

Bruce Wasserman, Strategy Professor for the EMBA program, wrote: "If anything points to the real world nature of our EMBA projects, this is it. The project was a real world lesson that the world is dynamic, so be prepared to build it while you fly it!"

Debi Bucciarelli, the EMBA student serving as team lead for the project, added, "It was an honor to be a part of this project, and it is exciting to see how GGU helped Lisa on her journey."

It became especially exciting when Crystal Clear Technologies was chosen to compete in the 2006 California Clean Tech Open.

From the 200 business plans submitted, five top winners would be chosen: one in each of five categories.

At the final awards ceremony in September 2006, Lenore McDonald, Therese Martin from the EMBA cohort team, and I were all sitting with Lisa at San Francisco City Hall, listening to the winners accepting awards for . . . energy efficiency, renewable energy, smart power, and transportation. Water was, of course, the last category, and we held our breath, then stood up and cheered as Crystal Clear Technologies was named the winner and Lisa went to the stage to accept the award.

"Water treatment technology is good, so why does two thirds of the world not have it?" Lisa asks. "I have been building state-of-the-art water treatment systems for 30 years. The reality is that the reason there is not clean water for all has nothing to do with technology. It has to do with one word and that word starts with 'm' – MONEY. The big thing we've found is a way to purify water at low cost."

As Lisa and Crystal Clear Technologies explained in a recent grant proposal, "The overriding issue to providing clean drinking water is cost, for the individual and for the government. For individuals earning less than $5 per day, water needs must be met for a fraction of that amount. The technical challenge is [developing] a water purifier which can process water of uncertain origin to at least World Health Organization drinking quality levels for less than $0.0004 per liter operating cost. In addition, the water purifier must operate within cultural and infrastructure constraints."

The water purifier models CCT has developed can use alternative energy sources. One model is human powered, using a hand- or foot-driven generator to pump water and generate electricity for

the ultraviolet module. Other models use solar energy or electricity from a grid. The modules can be configured to be portable, stationary or attached to a bicycle. Another version of a purifier can be powered from a car battery. Modules are scalable for household or small village use. Filter media can be manufactured in the country where the filter is being utilized.

NMX™ Technology, which CCT developed in conjunction with the University of Oregon, uses inexpensive nanocoating ligands, which bind to the surface of low cost mineral substrates, transforming the substrates into adsorbtive media. Adsorbed metals adhere to the substrate and do not leach away. No waste stream is generated. CCT has filed several patent applications in the U.S. and internationally on the NMX™ technology, including one jointly with the University of Oregon.

In 2006, Oregon Nanotechnology and Microscience Institute (ONAMI) awarded CCT and the University or Oregon a grant to support moving the developed nanotechnology from proof of concept to technology validation.

Currently, Lisa and CCT are teamed with Cascade Designs, Inc., to be the original equipment manufacturer (OEM) for the non-developed world market. The goal is to design, manufacture and bring to market low cost water purification technology that fits consumer needs and price points. CCT has teamed with several key partners for the U.S. underserved market and have identified partners in India, but have not yet set up manufacturing "off shore."

CCT has developed a fully integrated water purifier for a well head where numerous families come to get water. This unit can be powered by either solar or human power for ultraviolet (UV) pathogen deactivation, and has CCT's NMX™ nanocoated adsorptive fil-

ter media for removing arsenic, uranium and other metals and radionuclide's. This system also removes herbicides, pesticides and cyanide (of special interest for military markets). Lisa calls this system "the Cadillac version," with a cost of $300 to $500.

CCT can offer a cartridge for arsenic removal for about $20.00. The cartridge will last for six months to a year before needing replacement. Replacement costs will be a few dollars.

The water purifier is modular, so CCT can make the components to remove pathogens, organics or inorganics or do all three. The purifier can be adapted to use passive technology and no power or can use utility power when that is available or human power when utility power is not available. CCT will use mechanical filtration (hollow fiber) and ultraviolet (UV) light to deactivate pathogens. CCT has just licensed technology from Georgia Tech for the UV component. Currently, CCT offers the only technology that can layer up metal contaminants to the point the media could be reclaimed for value, thus not becoming an ecological waste product.

In addition to her technological and business skills, Lisa has an amazing talent for seeking and finding alliances with social organizations as well as research and business associations. She worked as a volunteer engineer for the Northeast Community Center in Portland. There she met a possible business partner. After swimming in the Columbia River with him, she asked: "Do you know what was in the water through which we just swam?" Then she told him. One of her neighbors describes Lisa as a "cross between Einstein and Mother Teresa," because she brings together complex technical expertise and profound compassion. That description seems apt, though to be more accurate; one may need to add in the Energizer Bunny.

Early in the SBIR grant process, CCT identified several non-

governmental organizations as potential partners, including To Love Children Educational Foundation International and Village of Hope, working in Africa; The Mountain Fund, working in Nepal and Tibet; Engineers without Borders-USA for their various projects outside the United States; and PSI which is operating in 70 countries, including India.

Since CCT's mission is to commercialize affordable drinking water products in underserved regions, they are currently developing partnerships with Native Americans to test several water purifiers on a Navajo Indian reservation. The focus is on Native American communities which do not have the infrastructure to supply clean water and, in some cases, power. Approximately 60,000 Native Americans on the Navajo reservation in the "Four Corners" region of the Southwest are drinking contaminated water. As part of a plan to lower cost and improve quality of water to the Navajo reservation residents, CCT, in a recent grant proposal, outlined its plans to work with others in the area.

The goals are three: 1) Expand the social marketing initiative of the New Mexico University School of Public Health to help identify an acceptable technology and product solution for contaminated drinking water in the Navajo Nation. 2) Initiate a plan to minimize the cost of portable water to the Navajo underserved community [and] 3) Field test CCT water purifiers designed in accordance with New Mexico University's proposals to improve the quality of Navajo reservation water to EPA drinking standards.

On the Navajo Reservation it appears that every household has at least one pickup truck, and one version of the purifier can be powered from a car battery. Representatives of the Navajo Environmental Protection Agency and Health Committees are involved in

the planning with CCT for all phases of the project. Sandia Laboratories has been contacted to help work with CCT personnel to present information on the science and technology behind water treatment to students in the Pine Hill School.

The project could lead to development of a model which could be used with other underserved Native American communities in the U.S., and with underserved communities in other parts of the world. CCT anticipates setting up manufacturing of various components in New Mexico and in India. In the process, they will explore how an individual or family may generate an income with CCT water purifiers, providing not only pure water, but also employment.

Lisa Farmen has come a long, long way from her porch in Oregon. And, one day soon, portable, inexpensive water may be globally ubiquitous as a result of her dream.

Sources

Farmen, Lisa. "Water, Water Everywhere and Not a Drop to Drink," *Global Child Journal,* 2006, Vol 2, Number 1, pp. 8-11.

Henley, Mike. "Profile: Farmen Helps Launch Crystal Clear Technologies to Offer Better Treatment Technology," ***Ultrapure Water***, March 2008, pp. 46-47.

Internal Crystal Clear Technologies documents provided by Lisa Farmen.

Interviews with Lisa Farmen on November 30, 2007, January 29, 2008, March 12, 2008, March 24, 2008 and April 6, 2008.

Janice Carter is Director of the Golden Gate University Library.

"It didn't feel like a job. It felt like a career."

- Joel Isaacson

JOEL ISAACSON

Pioneering

By Elizabeth Brady

Joel Isaacson didn't really like accounting. Of course, he didn't fully realize that until *after* he had earned an accounting degree at Pennsylvania's Lehigh University and *after* he'd been working as a CPA for Touche Ross & Co. He didn't want to be "stuck in the tax pool."

Enter financial planning. He'd transferred with Touche Ross from his native New York to San Francisco. A one-day self-study course in financial planning showed him the potential, but it was the early 1980s, and financial planning was a new field. Lucky for Isaacson, he happened to be living in the only city that had the only university offering what was probably the only MBA in the country in financial planning.

Dr. Robert Bohn from Brigham Young University is known as the father of the financial-planning industry, and he set up the financial-planning program at Golden Gate University. "Bohn was inspiring, he had the academic background, and he had the ability to attract strong practitioners to teach," Isaacson recalls.

So impressed was Isaacson, that he quit his job, dipped into his savings, took out student loans and jumped into being a full-time

student at Golden Gate University. His course work included financial planners, lawyers, actuaries, business people, and bankers. These professional practitioners taught about what they were doing in their day jobs. *That* was the thing he appreciated most about GGU: "Getting the worldly, real-life experiences from the professors." He had a lawyer for estate planning with whom he later did business; the same was true of a pension-plan teacher. His capstone course taught him how to run a practice—something that was to come in handy later.

In less than a year, Isaacson earned his MBA in financial planning. During the course of his education at Golden Gate, financial planning became his passion. He had a vision of where he wanted to go and knew he wanted to be doing planning as opposed to sales. "I got that instilled in me at Golden Gate," he says. "It didn't feel like a job, it felt like a career."

And it was exciting to be part of a new field. "It was pioneering. It felt like getting in on the ground floor," he recalls. "But on the other side, there was not a lot of history, not a clear career path. It was exciting, it was a great catalyst, but it was also scary because you didn't know what you were going to do from there. You had to make it what you could."

That pioneering spirit ran in Isaacson's family. His parents were first-generation Americans. Like their parents before them, they charted unknown territory to make better lives for their children. The son of a truck driver, Isaacson's father was a first-generation college graduate. Like many of the immigrants' kids of his generation, he went to City College, and in his case, on to law school thanks to the G.I. Bill. His mother grew up on welfare because her father was disabled; she went to college after raising her kids, graduating the same year as her son—with a degree in accounting.

"My parents grew up poor," Isaacson says, "but by the time we were growing up, we were already middle-class and suburban. They made it relatively easy for us. They were truly an inspiration to me. It was inspiring to be the children of parents who 'made it,' to watch the way they navigated the American dream."

Raised in Queens and on Long Island, Isaacson remembers himself as an "easy-going, nerd jock." He was an All–Long Island baseball player. Having no idea what he wanted to do with his life, he relied on the advice of his high-school guidance counselors, who sent him to Lehigh University, where he "fell into accounting." Lehigh was an engineering school that had recently gone co-ed and had a male-to-female ratio of 5 to 1. Although not great for his social life, he came away with his degree in accounting and an internship with Touche Ross. That turned into a job offer, and a transfer to San Francisco.

Two years later, armed with his Golden Gate University MBA in financial planning, Isaacson set out to blaze the path of his new career. He realized he had better contacts in New York than in San Francisco, so back home he went. "I called and met with as many people as I could through Golden Gate contacts or some of the financial-planning associations," he says, "I networked myself back into New York."

"With my new degree, the options for me were going into an accounting firm (been there, done that), or selling insurance or mutual funds," Isaacson says, again realizing he'd have to blaze his own path into financial planning.

The 26-year-old spent the next 10 years figuring it out and learning along the way. He was in a general field where age and experience were positives, so he brought passion and enthusiasm to

make up for the attributes he was lacking.

He interviewed with members of the Financial Planning Association in New York, as well as accounting firms. He received offers from several firms, but realized he would basically be doing tax work—not what he wanted. So he took a position with a financial planner at 50 percent of his previous pay. "That was probably my best investment after Golden Gate," he says, adding that as much as he learned what to do from his new boss, he also learned from her what not to do.

No one was doing fee-only financial planning (where planners are paid a set fee by clients instead of earning commissions based on what they sell) back then. The fee-only model was important to Isaacson, because "clients feel we're on their side. Clients are overwhelmed, and they feel like a lot of the advisers and wealth managers out there aren't necessarily on their side. With us, they feel like they've got someone fighting for them." With no incentive to sell something from one company vs. another, fee-only planners can be objective and concentrate first and foremost on client needs. At that stage of his career, Isaacson says, "I was willing to sacrifice money to do it right and build what I would consider a professional practice as opposed to a selling practice."

He then started a practice at an accounting firm. "Within a few weeks, I realized if I waited for them to bring me business, as opposed to me going to get the business, it wasn't going to happen. As an early starter, I had no choice but to navigate myself."

He had taught financial planning for a number of years—at schools such as New York University and the New School in New York City—after graduating from GGU. He was able to use much of what he'd learned, but eventually grew weary of students who "didn't

want to learn—they only wanted to pass the CFP (certified financial-planner) exam."

Not wanting to give up teaching altogether, he began teaching technical issues to groups and associations of other professionals. He taught in a CFP program at Iona College in New Rochelle, NY, a job he got through his boss. His students became a valuable part of his network, eventually becoming his best referral source.

He joined the New York chapter of the International Association of Financial Planning, where he served on the board for five years and became its president. "That was probably the most significant thing I did in the field," he says. It allowed him to delve deeply into his new field and network with 10 other board members with whom he developed both personal and business relationships. He also served as head of the Personal Financial Planning Committee of the New York State Society of Certified Public Accountants, and as an active member of the American Institute of Certified Public Accountants and the Estate Planning Council.

Isaacson learned a great deal from the people in his growing network. These associates were financial planners, insurance people, estate attorneys, money managers, and others. He looked to them as resources to learn from, to talk to, to refer business to, to develop contacts. He was building a client base and laying the foundation for building his business.

Joel Isaacson & Co. Inc. was founded with three people in 1993. It offers investment management, cash-flow management, estate planning, tax planning, employee-benefit coordination, insurance planning and retirement planning. The firm has continued to thrive and, in 2008, has 35 employees.

He essentially built his business on word-of-mouth referrals,

greatly aided by his supporters in related industries. Isaacson & Co. Inc. serves many high-worth professionals, including doctors, lawyers and celebrities—including some San Francisco Giants—and the firm is hired and paid by companies to provide financial-planning services for their executives.

Over the years, the client relationships have developed into family-like relationships. "I just had a big birthday party, and half the people there were clients," Isaacson says proudly. He is involved when kids are born, when parents die—he and his colleagues get the first phone call. They go to the weddings, the bar/bat mitzvahs, the funerals. As his clients age, he finds himself working with many of his widowed clients. "They have nothing to worry about. We've taken care of everything before this, and now we take care of and look after them. I'm the family trustee; I help the kids; we do all the planning—it's like playing the role of a sort of surrogate husband," Isaacson says. "It's heartache, but it's also nice. It's also responsible for why my hair turned grey."

"I found a field I love," Isaacson says. "I love working with clients and helping them." And, apparently, he's darn good at it. Frequently named one of America's Top 100 financial advisers by *Worth* magazine and listed among the best financial advisers for doctors, Isaacson is often quoted in financial publications such as *Business Week* and *The Wall Street Journal*, and on radio and television. He has appeared on ABC's *World News This Morning*. Still a teacher, he conducts financial-planning seminars for managers of leading *Fortune* 500 firms and speaks regularly before professional and trade organizations.

Joel Isaacson & Co. Inc. manages close to $5 billion in assets. Isaacson says he is constantly challenged because the environ-

ment keeps changing in every sector, from the economy to tax laws to financial-planning innovations. There is a mountain of material to stay on top of education-wise, not to mention the annual training credits required by professionals in the field.

Today, though, Isaacson is making time to be more family-oriented than he could during the first part of his career. At home in New York City, he and his family, including his wife, Alissa, enjoy going to old rock-band concerts and baseball games (Mets). They spend weekends at their vacation home on Lake Mohawk in New Jersey (he even leaves work early, sans computer, on summer Fridays), where they kayak, swim, play tennis, bike and enjoy a plethora of outdoor activities.

One of Isaacson's greatest inspirations is his eight-year-old son, Andrew, who is a special-needs child. "Watching him and how hard he tries and how enthusiastic he is inspires me. Everything is a struggle for him, and just seeing that on a day-to-day basis makes me appreciate the opportunities I've had."

As Isaacson has made the most of all his opportunities, times have certainly changed. In recent years, financial planner has ranked among the most popular jobs, the "best" jobs and the jobs with the most growth potential in the United States. This year, careerbuilder.com/cnn.com named it the top job in the business and financial sector, with expected growth of 41 percent by 2016.

How does he feel about the growing number of people aiming to follow in his footsteps? "It's nice to see the field become more of a profession," he says cautiously, pointing out that the term *financial planning* has broadened, whereas he considers his field "pure financial planning."

"Because it was harder for me, it helped me," Isaacson says.

"I had to figure it out on my own and not depend on anyone else." He readily admits Golden Gate University gave him a helping hand. "Even though it was early in the field, GGU was such a great catalyst and such a good learning experience, with such good people," he says. "It gave me the tools to go out and go down a path not previously taken."

Joel Isaacson did blaze a new path. And his pioneering has been both rewarding and satisfying!

Interviews with Joel Isaacson on March 10, 2008 and May 6, 2008.

Elizabeth Brady is Vice President for Development at Golden Gate University.

“I ask myself, ‘What will I do today that will make a difference?’”

- John Martin

JOHN MARTIN
Virus Slayer
By Scott Angel

On March 26, 2007, *Business Week* presented its prestigious annual Best Performers selections. The list represents the "best in class" of the 10 sectors making up the S&P 500. According to the editors, their publication discovers the pioneers and the game changers leading the way in the 21st Century.

Placement on the roster of 50 is not random. Ranking is based upon a thorough screening emphasizing two key criteria: management's ability to adroitly handle the capital at its disposal and growth in sales.

GILEAD SCIENCES not only made the list, but under the visionary leadership of President and CEO John Martin, the company that produced its first profit in 2002 earned both sales of $3 billion and the number three spot of distinction on the *Business Week Select 50* only five years later.

The achievement was no accident. It was proof positive of having the right person in the right place at the right time!

John Martin was born in Indiana on May 7, 1951. Reared in Evansville, he grew up in the country and received "a highly practical trade and industry education." His scientific calling seemed some-

what predestined: his parents were both Chemists. His father obtained a PhD at the University of Virginia and his mother taught high school Chemistry and Math. In 1973, John earned his B.S. in Chemical Engineering (with honors) from Purdue University. Four years later and "after many, many hours in the lab," he secured his Ph.D. in Organic Chemistry at the University of Chicago.

Dr. Martin's next step was a post-doctorate stint with Syntex Corporation in Palo Alto, California. That work grew into a medical chemistry opportunity with Syntex that lasted 6 years. Between 1978 and 1984, he was promoted from Staff Researcher to Senior Staff Researcher, and Senior Research Section Leader. While there, he invented CYTOVENE which is used to treat viral infections of the eye that potentially can blind AIDS victims.

Lured away from the Bay Area by Bristol-Myers, he continued his work in antiviral chemistry first in New York and later in Connecticut, where the pattern of rapid advancement continued: Associate Director of Anti-Infective Chemistry, Associate Director II and Director of Antiviral Chemistry. During his Bristol-Myers years, he also advanced work on HIV treatment drugs, VIDEX and ZERIT.

John reflects on this exciting period of his career: "Bristol-Myers was extremely entrepreneurial during this era. We did our own research and worked with first rate people all over the world."

But when Bristol-Myers merged with Squibb in 1989, John enthusiastically accepted an opportunity offered by Gilead. In 1990, he became Vice President for Research and Development. His new biopharmaceutical company's mission: to discover, develop and commercialize ground-breaking drug treatments in areas of unmet need.

Again the path toward the top continued: Vice President of Research and Development, Executive VP of R&D, Chief Operating

Officer Director and finally, President and Chief Executive Officer. All that happened in six short years. Reflecting on his career, John muses almost in disbelief, "To this day, I have never applied for a job."

Gilead was established in 1987 by two venture capitalists: H. DuBose Montgomery and Michael Riordan. Riordan, an M.D., was Gilead's CEO and was deeply interested in trying to develop drugs with a technique called antisense.

The technique had proven fruitless for the three years before Martin had become Gilead's chief scientist and he quickly rejected the antisense research focus. He recognized early on that Gilead's future would be in antivirals which he described as "the largest unmet need next to cancer." That, John decided, was the niche that Gilead would explore and develop!

His decision was a bold move. Antiviral drugs for treatment of viral infections such as HIV, herpes, hepatitis, flu and the common cold are a recent arrival when compared to antibiotics aimed at treatment of bacterial infections such as pneumonia, ear infections and TB. While there have been more than 80 antibiotics used by doctors over the last 80 years, the first antiviral drug treatment did not arrive until the 1960's. Only 4 such treatments had been approved for use of the FDA by the mid 1980's.

But, just as Sputnik triggered a USA moon mission, the worldwide spread of the HIV virus demanded action. Genome mapping made rapid progress possible.

To quick start his efforts, Martin retrieved some of the work he had done for Bristol-Myers. While there, he had licensed a number of compounds from two European scientists. He felt their chemical compounds were highly promising and persuaded both scientists

to work with Gilead on a percent-of-profits deal. Remarkably, no funds whatsoever went to Bristol-Myers.

That brilliant maneuver yielded 3 new drugs: 1) VIREAD for HIV, 2) VISTIDE for viral blindness in AIDS patients and 3) HEPSERA for Hepatitis B. By 2003, the trio of drugs were producing nearly $650 million in sales!

But success did not come overnight. The culprit was the random setbacks of drug development. For instance, in 1995, animal laboratory tests yielded tumors which limited the potential of a future product.

Then there was the matter of keeping up with the competition. By the time its VISTIDE therapy for use in viral eye infections that can lead to blindness reached the market in 1996, new HIV drugs had reduced the need for Gilead's product.

Even after Martin became President and CEO in 1996, a major disappointment came in 1999 when regulators said "NO" on approval for an initially promising new drug.

But that scenario changed dramatically in 2001 when the FDA said "YES" to its new drug VIREAD. By 2003, the treatment was known as "possibly the best" HIV drug available.

That was the tipping point! Within 24 months Gilead celebrated two more FDA approvals on drugs that treated Hepatitis B and HIV. Since that time, the Foster City, California based company has become as hot as Georgia asphalt on a sweltering August afternoon.

Martin smiles broadly when he ties the accelerating pace of scientific discovery with Gilead's being in the forefront of a burgeoning field. His vision is clear for his company in "the Golden Age of antivirals."

As a seasoned virus slayer for almost 30 years, he is focused, realistic and optimistic. For years he has been seeking a superior treatment for HIV—the deadly human immunodeficiency virus that affects more than 40 million people.

The standard treatment for HIV at the time consisted of three different drug dosages…which scientists and chemists refer to as the "A, B, C combination." In addition, the drug cocktails had to be taken several times each day in order for the treatment to be effective. Dr. Martin observed that it was difficult for patients to remember exactly which drugs they had taken and whether or not they had taken all of the desired pills: "The problem with AIDS patients is that they have had to take multiple drugs multiple times per day," he concluded in a 2004 *Pharmaceutical Executive* article.

The race track trifecta breakthrough drug Dr. Martin sought in order to control HIV was "a one dosage triple combination (A+ B+C) regimen that can be taken one time each day, that is safe and well tolerated." And Gilead was making progress. They first developed a once-a-day dosage that fulfills the AB portion of the ABC required control package.

By 2004, Gilead Sciences could boast 1500 employees and over $800 million in sales based upon 6 products: VIREAD, EMTRIVA, HEPSERA, TAMIFLU, AMBISON and VISTIDE. In addition, its pipeline was growing by way of research, purchases and commercialization partnerships.

In 1999, Gilead purchased the Boulder, Colorado based company NeXstar. In 2002, Triangle Pharmaceuticals was purchased. Recently, Corus and Myogen became a part of Gilead. Via acquisitions such as these, Gilead gained new and diversified products, manufacturing know-how and European markets access.

These purchases proved to be a key piece of the success formula. One New York analyst observed that Gilead is one of the few large–cap biotech groups which has made "consistently positive, highly profitable and strategically focused good deals."

Over an amazing short period of time, the FDA approved VIREAD (October 2001), HEPSERA (September 2002) and EMTRIVA (July 2003.) And, by March of 2004, the combination trifecta drug had been submitted for approval.

By 2006, 10 years after Martin became President and CEO, Gilead had produced the trifecta one pill dosage HIV drug that John had long sought: ATRIPLA! The drug went on the market in July and sales were an astounding $205 million by year's end. Estimates indicate that the new pill will become a $2 billion a year blockbuster. With the success of ATRIPLA and a three year 50 percent average increased in sales of its other HIV treatments—Gilead sales passed $3 billion in 2007! And there are other product lines in the pipeline: treatments for cystic fibrosis, hepatitis and hypertension.

Who is this person who has taken this no product scientific company and its 35 employees from rags to riches?

John Martin is basically a chemist-scientist turned executive leader. His efforts as an antiviral drug seeker are well known and highly respected. Dr. Martin is the author of 80 scientific articles in publications such as *The Journal of Organic Chemistry, The Journal of Medicinal Chemistry, and The Journal of Pharmaceutical Science*. He is the Editor of a book on antiviral agents published in 1989. He is the owner or co-owner of three dozen patents.

When you speak with him he describes the difficult task of virus slaying because of the constant mutation, but he does so with the confidence of a general who is leading his troops into battle.

And it IS a battle! After screening thousands of molecules, only a few will make it into development. Only one in ten of those will make it through. "And even then," Dr. Martin explains, "Roughly 400 publicly traded biotech companies compete for FDA approval." The approvals are a short list. But, during a 21-month stretch ending in July 2003, of the 30 new drugs approved by the FDA—three were Gilead products.

John often describes products in detailed scientific form—molecules, compounds and how they work in the human body—not laymaneese.

He is soft spoken and down to earth. Normally, he will work in a short or long sleeve shirt and no tie. On a trio of the magazine covers, he appears in blue, light brown and gray, business casual attire. He is cordial, affable, and modest. Asked to describe himself he most often says a "hard worker." Words like astute, focused, and future oriented also come to mind.

John Martin is also a humanist. Six years ago he announced that his company would make its HIV drug VIREAD available for treatment in 68 countries—at no profit. And yes, that does include Africa with two-thirds of the world's HIV AIDS infections.

He is not an ivory tower President. He and his top managers regularly go into the field visiting inner city HIV clinics and even prisons. Gilead encourages its employees to engage in public service and public health betterment. Dr. Martin says that "The most satisfying impact that we have is on health. That fuel keeps you deeply engaged each day."

John describes the work of his biotechnology firm as, "somewhat like a soccer game," noting that not many goals are scored but that the goals that are scored power major victories. "When I come

to work each day, I ask myself what will I do today that will make a difference," he says with a firm and serious resolve and in all sincerity. "If you do that over an extended period of time, the results compound and can be truly significant." His philosophy has been converted into reality.

Gazing out at the future, President Martin sees a steady growth for products that make a difference: "It's our expertise at Gilead to take chemical compounds, get thorough documentation, follow all the rules and take them to commercialization in an efficient, structured and streamlined fashion. We create products that better address unmet medical needs. We have had great success bringing them to market and our partners have confidence in us. It is critically important for us here at Gilead to maintain our brand and our expertise." He adds shaking his head emphatically with some satisfaction that, "A lot of companies would find it difficult to build that kind of infrastructure."

Martin met his wife Rosemary at Purdue University at an undergraduate mixer. They were married three years later and actually studied together: each earning a master's degree at Golden Gate University.

Rosemary worked in a downtown San Francisco store and her husband decided that in order to spend time with her he would join her in the Master Degree quest. John studied marketing and recalls some of the stress and strain in that period of his life. "I remember carrying a typewriter in the trunk of my car. We would drive up from Palo Alto, park on Mission Street, and literally finish homework assignments just before class."

John speaks warmly of the fact that his GGU classes were tailor-made for working adult professionals who wanted to advance

their careers and that most of his professors had day jobs. He feels that the combination provided him "with both a solid theoretical basis and a practical hands on application education."

Martin looks back affectionately at his GGU days and acknowledges that earning his MBA there expanded his way of thinking about business and provided for a smoother transition from the lab to larger responsibilities at Gilead: "The education I received at Golden Gate expanded my thinking beyond a scientific frame of reference. The MBA in marketing has helped me manage Gilead."

When asked about Gilead's success story and his leadership, he is careful not to attribute the success to himself. He speaks of teamwork, the ability to be nimble and move quickly through the decision process, collaboration with outside groups, focus and determination.

Dr. Martin sees his public health mission as larger than Gilead. In a speech last October before the Infectious Diseases Society of America, he shared his concerns in jumping over roadblocks to serve worldwide needs. And, although organizations such as Doctors Without Borders frequently express their belief that pharmaceutical companies are much too slow in registering HIV drugs in needy countries, Global AIDS Alliance spokesman David Bryden compliments Gilead and Martin for being willing to discuss Alliance concerns: Gilead has looked for ways they can maximize the interest of public health. I think it comes from the top."

John has been a leader in the Bay Area Bioscience Center, the California Healthcare Institute, the International Society of Antiviral Research, and numerous other such organizations. He was appointed to the Presidential Advisory Council on HIV/AIDS in 2006 and served as a Private Sector Advisor for the U.S. Delegation to the UN Gen-

eral Assembly meeting on HIV/AIDS that same year.

His leadership merit has been universally recognized with several awards of distinction. Accolades include: the Ernst and Young Socially Responsible Northern California Entrepreneur of the Year, the American Chemical Society Isbell Award, the International Society for Antiviral Research Gertrude Elion Award for Scientific Excellence.

When Dr. Martin is not at work slaying viral dragons, he enjoys spending time with his family. The Martins have two children, John, 22 and Margaret, 14. How does he find the time? "You just make it," he says, matter of factly.

John also places great importance on education. In 2007, he finished a three year term on the Board of Trustees of Golden Gate University.

Who is John Martin?

His basic elements are scientist-chemist, corporate leader, and humanitarian family man. He is also someone who has an eye for opportunity and understands how to work with people.

By any standard, Gilead has become a thriving success. And the best is yet to come!

In the first quarter of 2008, its cornerstone HIV drugs, (ATRIPLA, EMTRIVA, and VIREAD,) rung up a 37 percent increase in sales. Total first quarter sales exceeded $1.14 billion. The Foster City firm is seeking a location for a 100,000 square foot Development Center complex in Seattle, and the Food and Drug Administration seems ready to act on Gilead's new treatment for cystic fibrosis this fall.

Gilead has become the world's Number Two biotech company…and, in May 2008, John Martin was named Chairman of

the Board AND CEO.

Well done, Virus Slayer!

Sources

Dolan, Kerry and Moukheiber, Zina. "The Golden Age of Antiviral Drugs," *Forbes*, October 27, 2003.

Leuty, Ron. "Gilead pumps up Heart, Lung Drug Expansion," *San Francisco Business Times*, April 25, 2008.

Leuty, Ron. "Gilead Taking A Global View," *San Francisco Business Times*, October 19, 2007.

Sellers, L.J. "Virus Hunter," *Pharmacy Executive*, June, 2004.

Stein, Melissa. "Balm of Gilead," *Golden Gate University Magazine*, Spring, 2004.

"The Best Performers," *Business Week*, March 26, 2007.

"Why We're Here," *Gilead Sciences*, 2006 Annual Report.

Interview with John Martin on December 17, 2007

Scott Angel is Dallas Territory Manager for Angiotech Interventional.

"Even today,
my radish roses are
a beautiful thing
to behold."

- Richard Rosenberg

RICHARD ROSENBERG

Meritocracy Master

By Patricia Angel

Dwight Eisenhower, Conrad Hilton, Tom Brokaw, Oprah Winfrey, Ronald Reagan, Sam Walton, Billy Graham, and Richard Rosenberg. What do these individuals have in common?

All have been recognized as Horatio Alger Distinguished Americans. The award is given to those few individuals who have overcome adversities and humble beginnings to make their mark in their field of endeavor. Each of the past inductees has met and overcome their own obstacles while continuing to achieve. Each inspiring individual story tells of successes, failures, dreams and accomplishments. Their stories demonstrate fulfillment and lives which accepted challenges, gained recognition for their work and vision. Richard Rosenberg finds himself extremely "flattered and honored" by the Horatio Alger Award. He credits his success to hard work, getting an education and "being prepared" for opportunities.

On the surface the record shows that Richard M. Rosenberg graduated from high school in Fall River, Massachusetts and earned a degree in journalism from Boston's Suffolk University in 1959. He joined the Navy and later moved to San Francisco where he accepted his first job in banking.

The financial help offered to veterans spurred Rosenberg to go for his Masters Degree. "Being naturally frugal, the G.I. Bill of-

fered me an opportunity to advance my education." He entered Golden Gate University, and graduated with a M.B.A. in Business Administration.

Due to the continuing availability of the GI Bill, the ever curious and energetic Rosenberg decided to add another GGU degree an LL.B. in 1966. Combine the above degrees, practical working experience, varied duties in the Navy, a growing curiosity about the banking world, and this was one promising young man.

Even as a boy growing up in Massachusetts, he was active and industrious. Rosenberg considered himself an "above-average B + student." He participated in sports and did some writing for the high school paper. What took up the larger part of his time was working in a local store, sweeping floors, being "a go-for."

His recollection of growing up during the Depression was that the years were most difficult for his parents. "My father was a veteran of World War I who fought in the trenches of France. He came home, married, and worked to be successful in retail clothing management." Unfortunately, the Depression dealt both an emotional and financial blow to the family. "My father lost his job, his home, and his spirit." During World War II, his father, Charles worked in the New York shipyards while Richard and his mother lived with her parents. His mother, Betty, worked as a sales clerk when jobs were available.

Richard remembers the difficult times and says, "They were kind people who adhered to their values, but discouragement and little joy or happiness existed in their home." It wasn't until later he realized that his successes in college and the Navy brought vicarious pride and happiness to his parents. "I always wanted to do my ultimate best. My parents' struggles and disappointments made for bro-

ken spirits and feelings of failure. To the extent I became successful, it gave my parents a sense of accomplishment through me."

Richard's other outlets for his energies became sports: basketball, baseball, and soccer. "I was average in athletics. Good at baseball, but did not get to play often as my job interferred." He was an editor for his high school newspaper and that is where his journalistic ambitions began to surface.

As a practical-minded young man, Rosenberg began to anticipate the high costs of going to college. Knowing his parents were unable to contribute toward his expenses, he found two jobs which made a difference.

The first "task" was working in the coveted Catskills and Adirondack resorts during the summers and holiday seasons. A slow smile crosses his face as the memories resurface. He recalls being a head salad man, busboy, and a waiter. With a wide grin he says, "Even today my radish roses are a beautiful thing to behold!"

An added benefit for the excellent waiter was to be out there in the evening fraternizing with the guests. "We'd finish serving by 8, clean up, and then meet the guests. It was hard work, but a lot of fun, too."

His chuckles get even deeper when recalling, "There was always a preponderance of female guests." Rosenberg's twinkling eyes reveal more, "The guests were kind of intriguing. This was 'heady stuff' for a junior/senior in high school."

He notes that he received good training, worked hard, enjoyed himself, and managed to save money. The free room and board allowed him to save the tips which helped finance his four years of college.

At the end of his freshman year, Rosenberg got a second job

with the Massachusetts Heart Association. He began by handing out news releases, but before long, he was writing copy and planning special events for the Association.

Richard never thought about applying for scholarships. "I had worked since a young boy and continued working while getting a degree. I didn't realize then there was a possibility with my well-rounded activities, my grades, my working, of getting scholarship help. My parents were poor in an affluent society. We had enough to eat, but we came from the working class, not the privileged individuals surrounding our neighborhood. In those early days, I may have been too proud to apply."

It was generally expected, in 1952, that after graduation from Suffolk University, Rosenberg, like many other young men, would enlist in the armed forces. He did. And Richard Morris Rosenberg found his niche and excelled in each of the numerous positions he held.

After leaving active duty, he stayed in the Navy Reserves and retired as a Commander. "If it hadn't been for my college degree, I could not have gone into officer training," he said.

Rosenberg credits the Navy for much of his personal growth. "The Navy changed me. Why? Because the Navy was a true meritocracy. It was maybe the first time I knew that a person could advance by ability alone. Family background, the amount of money you had, the right religion, or an Ivy League education simply did not matter.

As his challenges with each new assignment morphed into new duties, including two shipboard assignments, Rosenberg's confidence grew as did his leadership development experience. At some point, his past endeavors in editing and writing led to the role of

Public Information Officer. He was continually surprised, but delighted with each new assignment—another affirmation of his abilities.

The Navy made him a manager of ideas, men, and situations. Serving during the Vietnam and Korean conflicts, he learned not only the theories of managing problems and people, but found the daily practicality a training ground.

In 1959, Richard began his path to bank management excellence and fame. Moving to San Francisco with his pregnant wife, Barbara, he took his first job. With the necessity of providing for three, Rosenberg began working for Crocker-Anglo Bank as a publicity assistant, and, subsequently, for a Wells Fargo Bank.

Richard would hop on a Greyhound bus and go to night school at Golden Gate University. He had already found a natural interest in marketing and advertising. As an undergraduate, he had taken a couple of marketing courses and found the creative potential of "marketing" an area that captured his imagination.

Four years after receiving his M.B.A., Richard Rosenberg graduated again from Golden Gate University. This time with a LL.B degree from the Law School. He says with another quick smile, "I made good use of the GI Bill."

Of course, he passed the California Bar Association exam. He goes on to say, "I don't know if my interests would have developed as fully without college courses."

He credits the instructors at GGU for "expanding my thinking in new ways." The nature of personal contact with the instructors and the practicality of their experiences allowed him to construct coursework "that worked for my expanding interests as well."

And Rosenberg had a secret.

While getting the law degree, Richard had continued to work for Wells Fargo Bank. Even when he passed the California Bar, he told no one about the degree. "It was my proudest achievement in keeping that secret. If they had known that I was in law night school, they would not have promoted me during those four years."

After he passed the Bar, he had another decision to make: starve while he built a practice or stay with the bank. He stayed with the bank. Richard had already become the youngest Vice-President at Wells Fargo. Banking was challenging and he had new ideas to share.

There is another story Rosenberg enjoys telling about his law school secret while at Wells Fargo. One day the advertising agency brought some new banking ads into his office. Rosenberg was unimpressed and exclaimed, "These are the worst ads I have seen in my life." Momentarily stunned, the individual left his office. Soon a supervisor returned to Richard's office. As a way of justifying the ads, the supervisor noted that, "The ads were for an audience of attorneys and perhaps Rosenberg would better understand the ads if he were an attorney."

"Oh, really?" said Rosenberg. He reached for his wallet and took out a card that no one at Wells Fargo had ever seen. The card identified him as a member of the "California Bar Association." He recalls with full force of laughter, "It was worth four years of law school just to be able to say that at that exact moment."

Introduction to the field of economics and finance combined with his burgeoning knowledge of the newly developing science of marketing piqued his own sense of development. As he immersed himself in all aspects of banking from daily operations, to complexities of profit and loss, public relations, a growing understanding of

the bank's different types of clients and customers, and potential local and world markets, Rosenberg began to formulate the need and possibility of marketing helping to make the bank's goals attainable."

Of course, not all his ideas hatched at the same time. It took years of working in many positions with a variety of programs to increase the importance of marketing in the banks he worked with before an understanding of what he was trying to do in the industry had major impact.

Rosenberg's natural abilities as a leader began to shine in each of his banking experiences. His viewpoint of seeing banking as a whole from the daily operations, to the happiness of the customers, to the satisfaction of employees, to the evaluation of the pieces of the puzzle which added or subtracted from a bank's success in competitive markets set new standards. Emphasis on strengthening international banking presence, acquiring other banks, and establishing banking positions in other Western states were also part of his objectives. He was in the forefront of developing bank credit cards.

The road to success spanned 30 years. The banking world added many methodologies based on Richard M. Rosenberg's idea of what banking could be.

Perhaps his most influential first steps were the changes he wrought at Wells Fargo. According to The Paths to Power published by the *Harvard Business School Press*, "Wells Fargo was Rosenberg's professional incubator." Beginning as an officer in banking services in 1962, he later rose to Senior Vice-President and Director of Marketing and Advertising. Ten years later, he became Vice-Chairman, (1980). All this allowed Rosenberg to test his analysis and theories of marketing and advertising and establish long-term records of success. That meant major paradigm shifts in thinking about the opera-

tions of banking and its client bases.

Normal bank procedures had viewed the consumer as a minor by-product of a bank's operations. If the banks offered services such as savings, checking, loans, the consumer or business person should be happy.

That idea ran counter to Rosenberg's observations and growing philosophy. In a sense, Rosenberg became a consumer advocate. His marketing background coincided with a growing personal knowledge of all aspects of banking in the competitive world of business. He reasoned that identifying what the consumer needed or wanted and filling those needs could increase the numbers of clients, client loyalty and profits.

At Wells Fargo, Rosenberg initiated several trends that would later be fully embraced by other banks. Under his tutelage, the stagecoach and horses became "more than a logo." With the addition of western music and action, an identifiable symbol of Wells Fargo's culture was born. Even today, Wells Fargo has the image of "safety and soundness."

Wells Fargo was the first to issue "scenic check designs." At the time, other banks regarded these decorative checks to be "frou-frou." But instantly popular, other banks quickly followed with their own designs.

By 1970, as federal restrictions eased, Rosenberg moved to increase savings deposit rates from 4.5 to 5 percent; an unheard of move in banking. According to Lona Jupiter, a Senior Vice President at Wells Fargo, "We increased our share of the consumer savings market leadership even after other banks went to 5 percent." By this time, Richard was Senior Vice President and Director of Marketing and Advertising .

Rosenberg's next innovative marketing contribution earned him the title of "father of packaged accounts." What appealed to the consumer was the availability of coordinating all accounts under one plan: checking, savings, credit card, safe deposit boxes and other services. The relationship between the accounts was a plus factor in client decision-making about using a bank. Other banks soon added these "bundled accounts."

Another area of improvement occurred outside of the banking offices. Richard became active in the Bank Marketing Association, a fertile ground for his ideas to be expounded and shared. He rose, over the years to be its president.

Rosenberg also played a key role in the development of MasterCharge. Eventually, the MasterCharge card evolved into the MasterCard used today. Rosenberg was involved with credit cards for more than 30 years.

It wasn't one of Richard's initial purposes to revamp bank marketing when he began his banking career while being a student at GGU. However, wanting to do the best job in his sales and advertising area, he conceived applications to banking operations and sales as avenues to expand market share through "image" changes. He concieved possibilities for change within each institution through creativity and innovation.

Establishing an "image" pertinent to each banking corporation allowed his ideas to leap-frog to the forefront and make banking history. To Richard, applying marketing and advertising principles as part of whole "made sense then and it makes sense now."

In a 2006 interview by On Request Images, Rosenberg made several salient points about brand identification: "Defining the goals of the institution based on self research and analyses, showing the

bank's strength and weaknesses, knowing the market and who the customer is helps to communicate the brand and its attributes. Creating and using a consistent visual look (symbol or logo) and even a slogan year after year reduces the confusion with competitors. The process of involving senior level engagement by the people who make the daily decisions and guide and direct the team on the execution is critical to success. Management must stay involved which ensures the brand is treated as a strategic asset."

During his 20 years with Wells Fargo, Rosenberg held several titles, all the while gaining more in-depth knowledge of banking operations and finance. During that decade, Wells Fargo became prominent for its GOLD ACCOUNT (packaging or bundling of accounts and services).

In 1980, he became Vice-Chairman.

His next two jobs were short-term, but eventful. Those changes offered him other opportunities to learn and quickly advance. In the early 80's, he returned to Crocker National Bank as Vice-Chairman. His duties were to run the retail, commercial real estate, and trust banking areas.

By 1984, he moved to Seafirst-Seattle Corporation as President and Chief Operating Officer. Seafirst Corp., a holding company of Bank of America, put Rosenberg directly in the midst of Bank of America operations. Barely settling into this new position at Seafirst, Rosenberg found himself being courted by the San Francisco Bank of America.

In 1987, he became Vice-Chairman of the Bank of America in San Francisco. And three short years later, Richard M. Rosenberg was ushered into the top spot at Bank of America: Chairman and CEO.

The bank Rosenberg joined came with several problems.

First, perception of the bank by customers was negative: uncaring, inefficient, lethargic, and perhaps unstable. Customers hesitated to admit they banked with Bank of America.

Second, employees were reluctant—maybe even embarrassed to admit where they worked. There was a lack of mutual respect and trust. Employee morale was low. There was little motivation to excel.

Third, too many loan decisions were being made without uniform criteria among the branches. Investors feared additional losses as real estate and other markets softened. Business borrowers were looking for stability and long-term bank commitments. Customers wanted better service and stability. Some wondered if Bank of America was going to be around permanently.

Fourth, add the complications of declining market shares in the wholesale market and the ongoing problems needed quick resolution. To make matters worse, the "image" of Bank of America was taking a daily beating in the press. Earnings were down. Confidence was shaken. Its reputation was near bottom.

Rosenberg acknowledges that, "Had Bank of America been in better shape, it might not have been as receptive to change…or as willing to listen." The numerous and serious problems created an opportunity for fresh analysis of the bank's mission. That evaluation identified new directions that would help the bank achieve a turnaround. The process was a thorough and meticulous piece-by-piece examination of every internal and external operation.

Rosenberg's adeptness in marketing as well as his astute grasp of the complex and varied operations of banking led him to immediately lead a revamping and redesigning effort.

First, several former Wells Fargo colleagues were hired in key positions. Their familiarity with needed methodologies for change allowed for immediate response to Bank of America's problems. Start-up goals and instructions for change were quickly put in place.

Second, a concerted effort to increase morale among employees and branch managers was initiated. Incentive "bonuses" were given to branch managers who exceeded their goals. Subordinates within the branch shared in the bonus program (another motivational first in the banking world).

General operations of the bank were centralized to establish uniformity in lending practices and loan criteria throughout the system but branches were allowed to effect smaller changes to give immediate and better service. "This uniformity of criteria in lending allowed the bank as a whole to handle more volume without fearing sudden losses. Better lending decisions could be made. Employees felt a part of the organization. Customers got better service," Rosenberg states. Advancing women and minorities was also part of the agenda.

An added benefit of tightening loan credit meant fewer losses when downturns appeared. Whereas loans of the past may have operated on a handshake, newer policies emphasized collateral. Rosenberg's philosophy emphasized the ability of the borrower to repay debts.

Rosenberg shares a story often repeated to him. Carl Karcher of Carl's Jr. fame borrowed $1,500 to start his restaurant chain with only a handshake. Upon meeting Mr. Karcher, Rosenberg skeptically asked, "Was that a true story?" Karcher replied, "Absolutely, and that banker took the pink slip to my car, too, for collateral!" Laughing, Rosenberg said, "That comment made my year!"

Another component of future success was focusing on customer dissatisfaction. Bank of America moved forward with Saturday openings, ATM's, smaller branches in convenient locations and more advertising featuring the friendliness, helpfulness and efficiency of bank employees helping customers. These techniques were designed to create a feeling of "Maybe I should be part of this bank, too." The Saturday openings were so successful, future advertising could be stopped. More than 43,000 new depositors were added on just one Saturday morning.

While reorganizing and installing cost-saving measures, Rosenberg again defied typical banking strategy. Bank of America began a series of acquisitions, starting in the early 90s, with the merger of Security Pacific Bank for a record of a $4.2 billion dollars. Critics maintained the excessive cost of merging and the lack of Security Bank's ability to pay for its own portfolios endangered Bank of America's profit and loss ratios. Admittedly, Bank of America had less profit in 1992 and 1993 due to absorbing Security Pacific loan losses; however, Rosenberg and his team had the foresight to recognize the potential for growth when the economy recovered. Smaller banks and thrifts were also acquired in Nevada, Texas and Hawaii. The mergers broadened the footprint to other states.

In 1995, ***Bank Management*** printed several of Rosenberg's keys to successful marketing: It is especially important to "learn how a bank makes its profits" in order to "develop business plans and strategies" with the CEO. "Imagination and innovation" are necessary to the plans.

Rosenberg had stressed and practiced during his banking years what he termed the "three fundamental components" of success. His list includes: 1) an unshakeable commitment to quality control, 2)

strategic investment in human resources by putting the right people in the right positions and developing their talents, and 3) using technology to enhance convenience and efficiency.

Richard Rosenberg and Barbara, both from Fall River, have been married for 52 years. They have two sons, Mike, 47 and Peter, 45, who have given them five energetic grandsons.

Richard took Barbara to his junior prom, which he refers to as a "rather unsuccessful date for both of us." It would be seven years later before they saw each other again.

When he returned from Vietnam and was posted to NYC, he was in need of a date for a naval function. The mothers united and, thus, he met Barbara once again. She was teaching in White Plains, New York. This time, the date was a success.

Rosenberg proudly exudes Barbara's achievements—acquiring three degrees: Brandeis, Harvard and USF. She has maintained her own individuality and accomplishments. She has been a teacher, a program director, developer of a non-degree program utilizing retired professors for senior citizens, and a Deputy Superintendent of Schools in Marin County. Richard describes her as "terrific" and says, "She worked as hard as I did with the spouses when we traveled internationally for BofA (300,000 miles a year to 36 countries)."

The Rosenbergs also share a love of "giving back" to the community. They regard participating in organizations as "A personal value, and a personal dedication. It is not a question of should we, but one of responsibility." He served on the Golden Gate University Board of Trustees until 2006.

Richard Morris Rosenberg no longer has a secret.

Not only does he possess a law degree, he possesses accompishments of the highest degree. An authentic American

Heratio Alger Story, he has truly mastered meritocracy!

Sources

Bates, James. "Rosenberg Bridges Marketing Savvy," *LA Times*, January 11, 1990, p. 1.

Crockett, Barton. "B of A's Rosenberg Exiting On A High Note," ***The American Banker***, May 22, 1996.

Deutsch, Barry. "A Conversation with Richard M. Rosenberg," *Bank Marketing*, April 1990, pp. 21-24.

Mayo, Anthony. "Paths to Power," *Harvard Business School Press*, 2006.

Pollack, Andrew. "Maven on Marketing," ***New York Times***, August 14, 1991. p. D-1.

Shao, Maria. "Executive To Watch," *Business Week*, 1990, p.118.

Interviews with Richard Rosenberg on February 20 and February 27, 2008.

Patricia Angel is the spouse of Golden Gate University's President, Dan Angel.

“Every cloud DOES have a silver lining.”

- Charles Steele

CHARLES STEELE
Number One in America

By Mary Canning

In 1986, Charles G. Steele retired from a career that was far greater than anything he had imagined possible. Now in his early 80s and reflecting back on his eight years as CEO and Chair of the board of Deloitte, Haskins & Sells (later Deloitte & Touche), Steele says, "Success is a journey, not a destination. That's the way I feel about my career." And, quite a journey it has been for a South Dakota farm-boy raised in Great Depression dust bowls. Of the thousands of Golden Gate University accounting alumni, Charles Steele can easily be described as one of our school's most successful and prominent graduates.

Growing up in a tenant farmer family meant strenuous chores and long hours. Steele recalls, "Things were really tough in those days because of the dust storms and the drought. You put in a crop each year, even though it didn't produce anything. It was an existence in a difficult period in our country's history." Being on a farm meant that the Steele family never went hungry, "but we certainly had no luxuries."

One thing that did grow well was a wild weed called Russian thistle. It would grow to the size and shape of a bushel basket, ma-

ture, dry out, break off, tumble across the fields and get stuck in fences. Steele recalls, "There were lots of fences to keep the cattle in or out. These tumble weeds would catch in the fences and then that in turn would cause the dust to build up drifts, just like snow drifts except that they didn't melt and go away. They just continued to accumulate. In the late 30s, the fences, which were four feet high or so and had dust banks all the way up to the top. So, if you wanted to keep the cattle in, you had to build a new fence."

His father, Clifford Steele, taught him the importance of hard work. In addition to long weekends working on the farm, his father became a ranch hand, a trucker for a ranch nearby, and took other odd jobs.

By high school he did lots of things, too. He worked hard and often: shoveling coal, shearing sheep and hauling hay. "Any way to make a few dollars," says Steele. "I learned that from hard work you could get rewards. I was able to make enough money to buy my own clothes and have some spending money; I learned the importance of work."

As he grew up, work became more and more important to him. He worked every three-day weekend and all day, every summer on his uncle's farm from the time he started high school until graduation. Adding a paper route and seventy-five hour work weeks were common.

The economics of life on the farm at that time were far different than you would see today. His family would purchase 300 baby chicks in the spring. "The chicks had to be kept in the house for a while because of the cold weather. As they matured, they could then be put outside," says Steele. They also had a few cows to milk every morning and night, and they would separate the cream from the milk,

and store the cream.

Saturday night meant a trip into town each week. The grocer would buy the eggs and resell them to other people and the 10-gallon can of cream was sold to the creamery. They were paid on the basis of the pounds of butter fat that was in the cream (that prevented people from watering the cream down.) Steele's family then had the proceeds from the sale of eggs and cream and knew how much they could spend that week for groceries. He says, "That was your livelihood for the week."

Early educational experiences for Charles were typical for rural America in the early 1930s. He attended a one room schoolhouse that had no electricity. Since many of the residents of the rural area were relatives, a majority of his classmates were cousins and teachers (often aunts or uncles.) One day, the dust from the storm got so thick it got dark outside and school was dismissed in the middle of the day.

The Steele family moved to Faulkton, South Dakota, when Charles was 12 years old. Steele found the transition from a one-room elementary school to high school to be a major growth experience. "When you became a freshman in high school for the first time, you were on your own to study and be prepared. You weren't continually in the same classroom with the same teacher. So that was a freedom I hadn't had previously."

When he discovered the library at the back of the study hall, he became interested in reading about new subjects to the point of distraction from his studies. "The net result was that during the first period of high school I earned a 'D' in a general science. I deserved the 'D' because I hadn't been doing my work. I was embarrassed by that. I said that's not going to happen to me again."

Charles describes his motivation to improve. "I found out that there was an Honor Roll. We'd never had that in grade school. It was literally at that point in my life that I decided I wanted to excel."

He recalls his mother, Emily Steele, having many sayings that she used to motivate him. One in particular proved true time and time again. "Every cloud has a silver lining." If he had not earned a 'D' on his report card, he would not have experienced such a profound desire to improve academically and, from that point, he earned outstanding grades through the remainder of high school, in military training courses, in college and in graduate school. "My mother provided my inspiration. My father had only gone through the sixth grade, my mother through the eighth grade, but she was convinced that I was going to go to college."

However, when young Charles graduated from high school, in 1943, there was a major world event that prevented him and thousands of other young men like him from studying for an undergraduate degree—World War II. Steele says, "I had already taken my oath in the Naval Aviation Cadet Program in April with the understanding that I would be called to duty some time after graduation. It turned out that I did not get called until October. I went to Rapid City and worked as a construction worker on an air force base, helping with the war effort that way until I started the Naval Aviation Cadet Program."

After several years of training that took Steele from his little 700-person South Dakota town to places as diverse as Texas, Ohio, Wisconsin and Iowa, he earned his wings and received his commission in February 1946—after the end of the war. "The completion time for aviation cadets was elongated by the Navy and slowed down because they had signed up more people than they needed." He stayed

in the Navy for an additional two years and was transferred to Florida and then to California to be stationed onboard aircraft carriers.

During that time Charles took a seven-month goodwill cruise of the Pacific. It was the first time the fleet had been back to ports in the Pacific. It was a memorable trip because it seemed as though everyone they met wanted to personally thank them for saving the world. The tour also visited Saipan, Guam, Japan and China.

The confidence and maturity Steele obtained during his service in the Navy is important to him to this day. "My whole Navy experience was wonderful. The wash out rate in the Navy flight training program was high, so being successful in that competitive process and getting through it gave me the confidence to compete with talented people." The end result of having served in the Navy was that Steele, like thousands of men of his generation, was provided with the GI bill.

Steele married Shirley Ferguson in California after returning from his goodwill cruise. They met in San Francisco—where he had been stationed because his formal aviation training included a short pause when his mother had passed away back in South Dakota. If not for the break in his training to travel to and from South Dakota for her funeral and to help his father and family during their difficult time of grief, he would have been stationed elsewhere. For Charles, this was another profound example of every cloud having a silver lining.

The next turning point in his life occurred when he applied for a Navy position and was turned down. He decided he needed a new career. He considered going to school to become an aeronautical engineer because he was good in math and had been a pilot. But there were too many aeronautical engineers and not enough jobs.

He thought about the possibility of starting a new business with his father-in-law manufacturing mattresses in San Francisco. Then one day he was in City Hall and saw a sign on the wall that offered veterans vocational guidance testing and there was a phone number. He had always enjoyed tests and decided that at this point he would benefit from some vocational guidance testing.

When the guidance counselor said that his profile indicated he would be a good engineer or CPA, he immediately asked, "What's a CPA?" The counselor patiently explained what a certified public accountant was, adding that the training to become a CPA and the knowledge of public accounting would help him in business if he ultimately decided not to practice as an accountant.

When Steele asked where he should go to school, the counselor named three choices in the San Francisco Bay Area: the University of California at Berkeley, Stanford University and Golden Gate College (now Golden Gate University). Charles says the decision was easy. "I had been at Berkeley to a football game and the mass of people that were there didn't seem right for this South Dakota one-room school house boy." He visited Stanford and they didn't really have an accounting program. Steele chose Golden Gate, which had a comprehensive accounting program at the undergraduate level.

His competitive drive and hard work resulted in excellent grades and an opportunity that few students enjoyed. "At that time," says Steele, "classes at Golden Gate were all taught in the mornings so you could work a half day in the afternoons. With the GI bill and my wife Shirley taking care of me, I didn't work in the afternoons. I studied instead; studied hard."

Steele, in effect, became his fellow students' coach when it came time to prepare for exams. "I conducted review sessions for

my friends—strictly on a friendship basis not a money basis—and I got some experience at teaching through that process." Later Steele would teach accounting courses at Golden Gate for five years, making the transition from student to teacher shortly after graduating.

When a student completes the accounting degree requirements and graduates, the next logical step is to prepare for the CPA examination. Steele had already been thinking and strategizing how and when to ready himself for this next challenge. He recalls, "Dean Kelly, the dean of the business school and the accounting graduate program, told me that California gives a gold medal, called the Forbes Medal, to the person who gets the highest grade on the CPA exam. The dean said, 'I think you would have a good opportunity to win that if you went through our graduate program first before you took the exam. And, winning the Forbes Medal would stand you in extremely good stead for employment.'"

Steele had a lot to think about and a major decision to make: take the CPA exam immediately after completing his undergraduate degree or enter the graduate program and have an opportunity to earn the Forbes Medal. He remembers, "I pondered the choice and discussed it with Shirley, because that meant going to school longer than we had planned. I started the graduate program."

At that time, the masters program was two semesters of coursework followed by a written thesis. After Steele started his coursework, another factor entered into the picture, "Part way into the first semester the Korean War was heating up, and I was still in the Navy Reserves," Steele says. "I was afraid I might get called back by the Navy. If I did get called up and hadn't taken the CPA exam I would have forgotten a lot by the time I would be able to sit for the examination – so I went to the dean and said, 'I need to take

the exam now!'"

Charles took the CPA exam before finishing the first semester of Golden Gate University's graduate program in accounting. His results were spectacular—he earned the highest score in the entire United States on the 1951 CPA exam—in a field of 10,000 exam takers! He won the Elijah Watts Sells Medal, in honor of one of the founders of Haskins & Sells. That firm, one of the Big 8 accounting firms in the U.S., would have a prominent role in Steele's future.

Shirley was pregnant at the time and they did not have money for a fancy celebration, but the Golden Gate University accounting fraternity, Beta Alpha Phi, threw CHARLIE STEELE NIGHT, which was dinner and cocktails at a San Francisco restaurant to celebrate. The guest speaker was Paul Webster, who at that time was the partner-in-charge of the San Francisco office of Haskins & Sells.

At that point, he was working in his first accounting job at McClaren, Good, West & Co., a small accounting firm that was headquartered in San Francisco, with offices in Los Angeles, Seattle and New York. Within his first year at McClaren, the firm merged with one of the Big 8—Haskins & Sells.

Again, Steele turned to Golden Gate University's Dean Kelly for strategy advice. Dean Kelly gave him the names of eight firms that were headquartered in San Francisco. But, he had no coaching on how to market himself. He made a map with the addresses of the eight firms, and knocked on the door of the first one at 9 in the morning. By 4:30 that afternoon, he had completed the eighth firm.

He received his first job offer at $225 per month. After explaining that his wife was pregnant, he told the partner that other firms were offering $250 per month. Steele had successfully negotiated his starting salary at $250. His career in the accounting profes-

sion was underway.

What better time to bring his real world accounting experience into the classroom, than the final semester of coursework for his master's degree and during his first year of employment in an accounting firm? So, he did just that—he started teaching accounting courses in the evenings at Golden Gate. He recalls, "Originally I taught advanced accounting and then later intermediate accounting." The schedule was demanding and he had many late nights in his five years as a faculty member. "I would go to Golden Gate one night a week as a student and I'd teach one night a week. In those days, we were living in Palo Alto, so I would catch the 10 o'clock train home to arrive home at 11 PM to get ready for the next day." It was not only Golden Gate that kept Steele busy in the evenings. "In addition to those two nights, I would have at least one night per week either in professional activities or night training within the firm, so I was basically getting home at 11:15 p.m. three nights a week."

Although Steele did not want to be with a big firm, he realized that the merger of McClure into Haskins & Sells in his first year presented him with far greater opportunities than either a small firm or his own practice would. Again, there was a silver lining to the cloud. "It didn't take me long to realize the greater opportunities that this merger presented to me. I gave up all thoughts of starting my own practice."

Steele progressed at Haskins & Sells in San Francisco, in similar fashion until 1958, when he was offered the opportunity to transfer to Detroit to work full-time on the General Motors audit. That offer worked out extremely well, because again it broadened his horizons. He spent three solid years there. "My office was actually in the General Motors building." Charles was a senior accountant when

he arrived at GM and was promoted to manager one year later.

During that time, he received an employment offer from General Motors. He says of the decision, "It would have been a significant increase in my income, but I felt I could rise to the upper levels of Haskins & Sells in a technical capacity—based on my performance on the CPA exam." He wasn't sure he would be comfortable in the General Motors structure and wasn't sure how well he would fit. He turned down the GM offer.

At that same time, a partner in the firm, Ken Stringer, was experimenting with the idea of using scientific statistical sampling as an integral part of the audit process. Stringer was using a statistician as an advisor. When that program developed to the point of needing to do some field tests, the leadership of Haskins & Sells decided to use a General Motors division as a testing environment. Steele wrote his Golden Gate master's thesis in 1960 using the statistical field application as its nucleus. He also authored an article on the subject for the *Journal of Accountancy* in 1962.

When Charles' three-year assignment at General Motors ended, he was asked to work on special projects in the firm's executive New York office. He worked on the statistical sampling project, as well as other special projects. The benefits of accepting new positions with Haskins & Sells and of transferring to Detroit and New York became obvious. He recalls, "For a young man who had been with the organization only eight years, I had received a valuable visibility throughout the firm, and I had become acquainted with many of the partners from different offices."

When his year in New York concluded, the firm sent him back to San Francisco. "That was in 1962, and I became a partner the following year," he says. "I did significant work in personnel,

handling recruiting, training, and counseling." He also worked on new start-ups, initial public offerings, and initial stock exchange listings of small companies.

Steele's next assignment was the pivotal one in preparing him for his ultimate role as head of the firm. "I was asked to go to Chicago to become the partner-in-charge of the office. I had seen myself as a technician and a client service person. I had not thought of myself in a managerial position. Managing technical aspects— yes; but not basic management. So I was unsure I wanted to transfer to Chicago, but the partner-in-charge of the firm convinced me I ought to give it a try."

The leadership of Haskins & Sells selected Steele because the Chicago office had unrealized growth potential. "Chicago needed some new blood and some new thoughts—somebody from the outside with a different background." He was there for four years, from 1972 to 1976, and "doubled the volume of business, quadrupled the profit and improved the quality and morale of the staff substantially."

His successes were recognized and rewarded. "I was asked to move to New York to get ready to take over the senior position of the firm two years later." He became the partner-in-charge of personnel nationally for that intervening two years.

Steele was head of the firm for eight years, from 1978 to 1986.

When he became CEO, the firm's name became Deloitte Haskins & Sells. "But that didn't represent a merger."

Charles explains, "At that time we changed names, we really started to build an international organization to replace the less formal referral procedures between the firms when one office needed work done in another country. So the real structure for an international organization developed during the eight years that I was the

firm's partner-in-charge." Steele's work set the foundation for later. "Today, it's way, way beyond where it was when I left."

Getting the international structure in place was a laborious process, because there were people from countries all over the world with their own nationalistic interests and different cultures. "There were different accounting rules and laws, different practices. To try to get something that was cohesive, to pull together, and set up a structure that everybody could be a part of and buy into that would build a meaningful relationship and an improved way of serving clients was difficult. People from some of the different countries were brought into the process easier than others. Some were reluctant to give up control or nationalistic interest and to subvert it in any way to an international structure."

Ultimately, a formal agreement was drafted.

Deloitte Haskins & Sells was not the only firm on this path of internationalization. "We had to be able to serve our clients in this way. The other Big 8 firms were moving ahead, and we had to, as well, to be able to retain our clients and grow our practice."

Another area of Steele's focus during his time leading the firm was completely within the U.S. "About the same time that I became head of the firm we got a lot of interest from Washington, which had not been the case since the Securities and Exchange Commission was formed in 1932." At that time, the federal government considered setting accounting standards, but did not. If it had, Steele says, "The accounting profession would have become more like Internal Revenue agents, rather than professionals serving their clients. Fortunately, the profession was able to set accounting standards for itself."

The interest from Washington in the late 1970s took the form

of several Congressional commissions that began investigating the accounting profession and practice standards. "Senator Lee Metcalf headed a commission that produced a study of the accounting profession and the report was thousands of pages long." Subsequently, Representative John Moss conducted a similar study in the House of Representatives.

With the hearings scheduled to be held, Steele became personally involved. "Deloitte Haskins & Sells and the other large accounting firms spent thousands of hours preparing position papers, to convince Congress that the involvement of the government in the setting of standards for the accounting profession should be minimized." In response to the Congressional oversight, the accounting profession established a peer review process, where each firm serving publicly held clients was required to have its work reviewed by another firm. The firms performing the reviews reported to a newly established public oversight board made up of individuals independent of the profession.

Steele was looking for ways to organize the firm to both boost productivity and retention. He believes he resisted making compensation changes longer than he should have. "With the help of McKinsey, we utilized a different compensation system so that the partners could realize financial rewards earlier—more rewards for value or performance and less for length of service." This was aimed at retention, particularly partner retention. Steele says, "What did not change is that working up the ladder to become partner remained the name of the game."

Charles also served on two presidential commissions. Under President Reagan, on the Commission on Executive Interchange and under Carter, on price controls.

Steele planned the transition of leadership to the next CEO in preparation for his retirement in 1986. "For most of my term as CEO, I had operated without a chief operating officer or a managing partner. Mike Cook, a member of the guidance committee that worked with McKinsey, was outstanding. Once it became clear to me that he should be my successor, I moved him in as managing partner two years before I retired."

The legacy that Steele left at Deloitte is memorialized on the firm's current website. It summarizes his tenure as Chairman of the firm by describing the transition from separate, local firms scattered around the world to a global organization, saying "Steele united the various groups into a powerful and focused organization."

Looking back at the decades of his career, Charles is clear that there is not a single accomplishment that is most meaningful to him. "Success is a journey, not a destination," he says. He highlighted that theme when he was the 2007 Golden Gate University commencement speaker at the university's Monterey graduation.

There were many sacrifices he made along the journey of success, all with the support of his wife, Shirley. "Shirley was supportive with my being gone so much, but even more importantly, she was willing to transfer as many times as we did.

Being away from home and from Shirley so much wore on Steele as he neared retirement. He says, "I decided to take early retirement at age 60 rather than retire at the mandatory age of 62. On average I spent fifty percent of my time away from my office in New York—half of that was overseas and half in the U.S. I was tired of being on an airplane by the time I retired."

Steele's words for future students considering careers in accounting are encouraging, especially for women: "If I were advising

any young person who was looking for a career and they had a reasonable level of facility with math—you don't have to be a math genius to be an accountant—I can't think of a better place to start a career. If you've got the right stuff to go all the way to the partnership level, it's just tremendous. If not, you will have such good training and exposure that you'll have a good career someplace else. I would say this particularly to women. If there is any place where I think there is little or no glass ceiling or discrimination against women or where they have equal opportunity, it's in accounting. As a matter of fact the chair of Deloitte right now is a woman."

Charles Steele worked 75-hour weeks on the farm growing up. When he got into the career part of his life, he put in long hours. He was not a slacker, was not a 'nine-to-fiver.' His work ethic led him to a career that he characterizes as, "above and beyond anything I could have hoped for or imagined."

Hard work is in his DNA. That Steele was cast back in 1951, when his score was "The Highest in America!"

Interview with Charles Steele on March 5, 2008.

Mary Canning is Dean of Golden Gate University's School of Accounting and School of Taxation.

“That is what we do, but not who we are.”

- Bernard Tyson

BERNARD TYSON
Still Thriving
By Kate McNulty

Bernard Tyson's passion for healthcare started at an early age. Growing up in Vallejo, California in a house built by his carpenter and pastor father, Tyson could see how much his parents relied upon the doctors who cared for his diabetic mother and he admired those doctors immensely. His mother stayed home to raise Tyson and his other six siblings. Initially Bernard intended to become a physician but after his grandfather passed away, he decided on health care management instead. This path would lead him first to Golden Gate University for his education in health services management and onward to Kaiser Permanente for a spectacular career spanning more than two decades. His ambition would take him from business school intern to the top levels of management. He currently serves as Executive Vice President of Health Plan and Hospital Operations for Kaiser Foundation Health Plan, Inc. and Kaiser Foundation Hospitals.

Straight out of high school, Tyson attended Golden Gate University for his undergraduate degree in the health services management program. Several people recommended GGU to him but warned

that the university was geared toward working professionals. As a younger student, they warned that he might find it challenging to have older, more mature students as his classmates. Instead, Tyson saw this as a great opportunity to learn from these working professionals. Taking a semester off to get married after receiving his BS in Health Services Management in 1982, he returned to GGU for his MBA in Health Care Administration and Management which he completed in 1984.

Tyson credits GGU for giving him a strong education, from the topics covered in the classes to the instructors and classmates. "I was fortunate to have the opportunity to be in classes with professionally trained people in the field and learned a lot from different classmates," he recounts. "I enjoyed the richness of the discussions. Students were able to apply realities to the theories and areas being covered in class." The experience reinforced his belief that one day he would be running a hospital and providing outstanding service to the community. "My degree was extremely instrumental and helpful for my career development, and Kaiser Permanente employs many GGU alumni."

Several individuals stand out in Bernard's mind from his time at Golden Gate. "Dev Mahadevan taught healthcare finance and was CEO of Eden Hospital. I helped him get a job with Kaiser." Tyson remains friends with former Dean Bill Winston. Although Winston was Dean of the Health Services Management program, Tyson's first interaction with him was as a professor of economics. "He was a hard, challenging, super smart teacher whom I gravitated toward. He challenged and encouraged me. He told me early on that I had the potential to do good things in healthcare, even during my undergraduate years."

Former GGU President Otto Butz also lives in Tyson's memory. "Otto was so full of energy and always moving fast, but he took time to speak with you. He never missed an opportunity to ask how I was doing. He was a wise and insightful person. I admired and respected him. He was an incredible symbol of leadership for me."

While a student in GGU's MBA program, Tyson came to Kaiser Permanente for a six month internship and was hired full-time after only three months. He jokes, "I still owe Kaiser Permanente three months of free labor."

First hired as Director of the Outpatient Medical Records Department in San Francisco, he moved into a managerial role in the file room. "My talent," he says, "was to go into an area, scope out the issues and challenges and then drive change."

His wish to run a hospital was fulfilled in 1992. "It's funny," he says, "in my career at Kaiser Permanente, I finally got promoted to hospital administrator in Santa Rosa, California. I was technically in the job less than a year, and they moved me into a regional role to help reorganize Northern California. That was when I started up the health-plan track. It was that process that exposed me to the broader workings of Kaiser. Never in my wildest imagination did I think I'd be doing what I'm doing today." Tyson spent six years living in Maryland as Chief Operating Officer of Regions outside California for the Kaiser Foundation Health Plan, Inc. In the role of Senior Vice President of Brand Strategy & Management, he led the creation of the famous THRIVE advertising campaign.

Bernard is extremely proud of spearheading Kaiser Permanente's THRIVE brand strategy campaign which changed people's perception of the organization and heightened its profile in

the community. Since he considers himself to be an operations guy, it came as a surprise when he was offered the job. "When Kaiser Permanente's new CEO asked me to take on the key brand strategy role, I was concerned that this was going to sideline me. I talked to a mentor who told me to ask some specific questions, and if I got the right answers, I should take the job. The "Thrive" campaign turned out to be the highlight of my career and I work for a terrific CEO, George Halvorson."

"When I started, I felt like a fish out of water. One day, the PR agency hired to work on the project put together a brandscape, which is a one to two minute commercial that paints a picture in your mind of the organization. The tape showed someone who was having a heart attack. The Kaiser Permanente ambulance came with the Kaiser doctors in white coats and it all looked great. But, I was troubled by it. I said, 'that's not it. Listen, there is something wrong about this. People don't wake up every day wanting to have a heart attack. If you have a heart attack, yes, we have the best doctors, nurses and equipment and will restore you. That is what we do but that is not who we **are**. The CEO told me when he asked me to do this work that I knew the heartbeat of Kaiser Permanente. I guess he was right."

"The THRIVE ad campaign was launched to help people understand Kaiser Permanente. Its focus was to position the organization around our purpose and cause. We stand for health." Addressing a brand strategy class at GGU, Bernard recently shared that the brand and strategy should answer who you are, not what you do. He explained the THRIVE Campaign was intended to deliver a message to help people understand Kaiser Permanente.

"I never thought a word could be so powerful. **Thrive**. I

tried to buy the word for Kaiser Permanente when we first started but I couldn't. I said that we would eventually own the word without buying it and now we do. People felt so good about the THRIVE campaign. Kaiser Permanente physicians and nurses were used in some of the ads. Physician and employee ambassadors now go out on marketing calls. The campaign has helped to improve employee satisfaction. It's not of the ad campaign, however, that I'm most proud. I feel like we cracked the code and figured out how to express ourselves in a way that matches with who we are and what we stand for. That is the real achievement."

Tyson has been in a variety of leadership roles at Kaiser Permanente and considers himself to be a situational leader. "There are times I've felt that the best style for a situation is inquisitive, nurturing and about moving people in a particular direction. At other times, my style was decisive and passionate, driving people to a conclusion. My leadership style is expressive. People can feel my leadership. People have described me as a passionate person. I like what I'm doing. I have built credibility because I am known as a person of my word."

In his role as Executive Vice President of Health Plan and Hospital Operations for Kaiser Foundation Health Plan, Inc. and Kaiser Foundation Hospitals, Bernard works closely with the eight regional presidents who report to him. He mentors and helps to develop them as leaders. He also oversees Kaiser's $25 billion capital plan which encompasses the creation of new hospitals, medical centers, and investments in technology. For example, Kaiser Permanente has implemented a $3 billion electronic medical-records program called **KPConnect**. Tyson maintains relationships both inside and outside the organization. He considers the human touch important.

"I spend a lot of time communicating, in person, and on the phone," he says. He also spends hours flying across the country meeting with his leadership teams, doctors, employees and customers.

As a Senior Executive, Tyson frequently wrestles with issues of life balance. "What is life balance? I'm doing a variety of things that have value to me and others. Time with my boys is a number one priority. I am contributing to growing them to manhood. Time at Kaiser Permanente is also important to me, because I am helping people to **thrive**."

He explains, "Sometimes when you are looking at leadership you make false assumptions. There is always a balance. You can't help run a $40 billion organization with 160,000 employees, 17,000 doctors and 9 million people cared for 24/7 and get that done 9 to 5 or 8 to 4. I have three incredible boys. You can't box that in from 5 to 9 and weekends.

Creating a balance is always on your mind. To accomplish one, am I giving up too much on the other? Am I doing enough for all the different pieces at the table? I look at the assets of my life on one side (family, friends, social contributions) and the liabilities on the other side. The net worth makes it all worth it. You can't do everything. I've learned how to say "no" to things that would take too much energy with little return or are too much of a demand even if I have an interest in it."

Family is important to Bernard. Bernard Junior, 16, known as BJ, is in the 11th grade. "He's a mature and disciplined young man," Tyson says, "who works and studies hard, loves to have fun and has a good sense of humor." Alexander, 15, called AJ, is in the 9th grade. "He has an unassuming sense of humor, but is more serious. AJ loves football—eats, sleeps, drinks football—and plans to

be a football star. Even his pillow is printed with scrimmage plays." Charles, 6 years old, rules the house. "He is a comedian and knows how to pluck at your heart. He is a loving child, articulate, expressive, and loves people." It is clear that Tyson's children are the most important thing in his life.

Although Bernard went to school for many years and has extensive experience in corporate America, he discovered that there was no school for fatherhood. He was blessed with a wonderful father, grandfather and community. "It has been rewarding to deal with the realities of fatherhood which make me more open to life's possibilities. At the end of the day, I can say, 'It doesn't get any better.'"

Tyson's parents were two of his biggest supporters. "My father was a major role model. I try to emulate some of his traits and characteristics. I'm vocal and passionate, but sometimes my father had a profound impact on people without saying anything. At other times, he spoke with such eloquence that he brought people to tears. My parents always expected us to achieve something and become self sufficient. They never put an undue burden on us that we had to run the world. They were proud of what each of us accomplished. All their children were superstars in their eyes." His father passed away last year.

So what does it take to reach the top?

Tyson's advice for someone to become a senior executive is: "Don't assume that there's a straight path to get there. My career in Kaiser Permanente has taken all kinds of twists and turns. In retrospect, they helped me to be a well rounded executive. You want to always be in a learning mode. There will come a time when you get to an executive level in which knowing all the facts is impossible

and, in some cases, irrelevant. Knowing how to ask the right questions, select the right people, and demonstrate sound thinking and rational judgment are critical."

"There is a big difference between managing and leading. Knowledge is good, but it is not why you are paid. There are things I do today where the outcome of what I decide is three to five years away. I recommend building your own brand. Over time people will begin to draw conclusions about you based on both reality and perception. Begin early on building how you want people to perceive you. For example, people know that I may not like something but I'll still listen. This is part of my persona."

Bernard is actively involved in the community. He is on the board of directors for a variety of healthcare related organizations as well as a board member of the United Negro College Fund for the San Francisco Area and the Executive Leadership Council Foundation, a network and leadership forum for senior African-American executives in Fortune 500 companies that provide mentoring and scholarships. He was the recipient of the "International Emerging Leaders in Healthcare Award" in 1998 and in 2001 he received the NAACP Freedom Fund Award for "sensitizing corporate America to the talents of people of color." City Flight Media named him one of the most influential African-Americans in the Bay Area in 2005, and, in 2007, he received Golden Gate University's Alumnus of the Year award.

The organization closest to Tyson's heart is the American Heart Association and he is Chairman of the 2008 East Bay Heart Campaign. This is hardly surprising considering that he and several close family members have dealt with heart issues. He helps to raise money but more importantly serves as an example of what's possible as a

heart patient.

In September of 2006, Bernard's life changed dramatically when on a trip to Las Vegas. He had a heart attack, or more precisely a cardiomyopathy which is an enlargement of the heart. It resembles asthma and Tyson thought he was having an asthma attack. It persisted and his condition began to deteriorate. When the paramedics arrived, he was fighting to breathe. After they discovered that his heart valve wasn't closing, allowing blood to flow into his lungs, they rushed him to the hospital. He blacked out in the ambulance from lack of oxygen and was in a coma for three days. It turned out that he had full blown congestive heart failure. He was operated on in the Kaiser Permanente facility in San Francisco which he had designed and built, never guessing that he would one day be a double bypass surgery patient.

This could have been the end of his career, but Bernard made a full recovery. He returned to work three months after surgery and hasn't missed a day since. He refutes any comments that job related stress was a major reason for the heart attack. "When I was recovering from heart surgery, someone asked me if I had been under too much stress. I was seriously insulted. I said, 'I am a professionally-trained business athlete. What I do is no different in my field that what Barry Bonds does in his. When Barry Bonds steps up to the plate, he is professionally trained and experienced to see the ball coming at 100 mph and hit the ball. I have been professionally trained and experienced to see the ball coming at 100 mph at Kaiser. I am a competent professional who is a trained athlete in the business world.'"

Since the surgery, Tyson has made a significant lifestyle change. He has changed his diet by moving away from fried food to

baked and steamed foods and he has also reduced his salt intake. He has stopped eating fast food and has lost weight, no easy feat for a man who loves to cook.

Bernard learned to cook from his grandmother, mother and aunts and it is a passion for him. He loves to entertain with multi-course meals. For a Super Bowl party, his 20 guests feasted on a special dish for each quarter: meat tacos in the first quarter, Louisiana seafood gumbo in the second quarter, short ribs smothered in gravy with mushrooms, red potatoes and carrots at halftime, fruit salad in the third quarter and dessert for the fourth quarter. All well done with a heart-healthy twist. He prepared Thanksgiving dinner for two dozen people completely on his own, getting up at 5 am to start preparing a meal that included turkey, corn bread dressing, candied yams, roast beef and macaroni.

Bernard Tyson has learned not to take life for granted and carries with him an amazingly positive attitude. "It became clear to me when I thought I was going to die that things that I used to take seriously actually were irrelevant. The important things to me are about making contributions. You may want people to like you, but it's not that important. Spending time making meaningful contributions that make this a better world is far better."

His optimism comes from his faith. He has a strong religious and spiritual foundation. "I choose to believe that I can do what I'm trying to do," he says. "When I fail at something, it is not because I didn't try my best to do it."

His philosophy of life clearly works. After 23 years at Kaiser Permanente, both as a senior executive and a father of three boys...Bernard Tyson clearly continues to thrive!

Interviews with Bernard Tyson on January 31, 2008 and February 26, 2008.

Kate McNulty is Director of Development for the Edward S. Ageno School of Business, School of Taxation, and School of Accounting at Golden Gate University.

The Authors

Dan Angel is President of Golden Gate University in San Francisco, California. His career includes service as president of colleges and universities in California, West Virginia, and Texas. He was elected to three terms in Michigan Legislature and worked in Washington D.C., as a special assistant to U.S. Senator Robert P. Griffin of Michigan. He earned B.S. and M.A. degrees (Education) from Wayne State University and his Ph.D. (Communications) from Purdue University. He is the author or editor of a dozen books.

Patricia Angel earned her B.S. from Detroit's Wayne State University and her M.A. from Michigan State University. Her career has included teaching at Michigan's Albion College and Stephen F. Austin University in Texas. She has also served as Register of Deeds, a communications consultant, and a television news reporter in California. A former Mortar Board President, she has helped to establish several new traditions at Golden Gate University, such as the Annual Student Leadership Thanksgiving Dinner which is served personally by the University's top Administrators.

Richard Belluzzo

Patrick Coughlin

Lisa Farmen

Joel Isaacson

John Martin

Richard Rosenberg

Charles Steele

Bernard Tyson

GOLDEN GATE UNIVERSITY

$12.50
ISBN 978-097634238-0
51250
9 780976 342380