

LubinFUTURES

LUBIN SCHOOL OF BUSINESS
FALL 2004 VOLUME ONE



THE INTERNET
REBORN

HAND IN HAND:
WORKER
WELL-BEING
AND THE
BOTTOM LINE

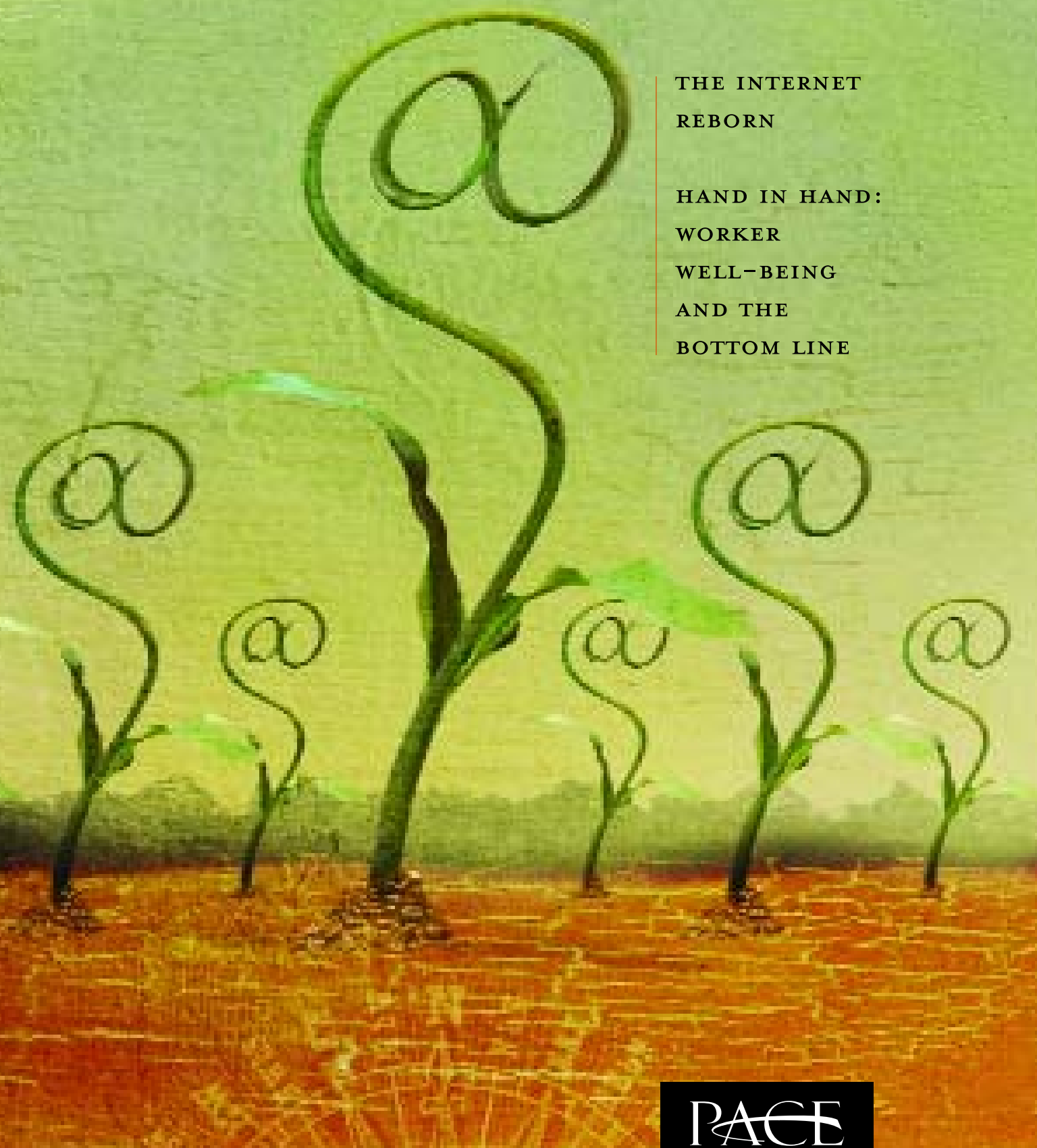




photo: Jared Bernstein Photography

This publication marks the launch of Lubin's new flagship magazine, *LubinFutures*, which replaces our newsletter, *Lubin Business*. This biannual magazine reflects our position as a thought leader in business education with feature articles that are timely and relevant to the business community. *LubinFutures'* more topical approach to today's business issues emphasizes our theory to practice philosophy and builds on our considerable strengths as a business school that prepares students to seek leadership roles in their careers.

In this inaugural issue, Lubin faculty and industry insiders take a look at the forces driving the resurgence of the Internet as it rises above the industry downturn with a renewed vitality and a multitude of uses. Our second feature focuses on the good economics of companies heeding and encouraging employee well-being—there may well be a direct connection between fun and profits. For a look into the future, The Street offers forecasting perspectives of two giants of the securities industry who moderated panels at our 11th Annual Securities Industry Conference: Bernard Madoff, chairman and CEO of Bernard L. Madoff Investment Securities, LLC, and Wayne Wagner, head of Plexus Group. In the Executive Suite, alumnus James Quinn, Tiffany & Co. president, talks about the road he's traveled since earning his Lubin MBA in 1980. Quinn will be honored on December 3, 2004, with the Lubin Alumni Achievement Award. From cover to cover, this informative issue of *LubinFutures* should leave you with much to think about.

The Lubin School of Business is a recognized innovator in business education, both nationally and abroad. This achievement is made possible by the hard work and remarkable commitment of our community of faculty, students, staff, alumni, and business partners. With this exciting new magazine and with the approach of our centennial in 2006, we intend to continue to build on this strong foundation and to achieve even greater distinctions in the future.

A Message from Dean Centonze

A handwritten signature in orange ink that reads "Arthur L. Centonze". The signature is fluid and cursive, with a long horizontal line extending to the right.

Arthur L. Centonze
Dean
Lubin School of Business



illustration: Simone Lagares

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One Pace Plaza
New York, NY 10038-1598

Arthur L. Centonze
Dean

Barbara Rose Aglietti
Director of Communications
and External Relations

Diana Powell Ward
Editor

Lorraine Fick
Contributing Editor

Josh Martin
Rhonda Mullen
Lorraine Fick
Contributing Writers

EM2design
Publication Design

Simone Lagares, simonelagares.com
Cover Illustration

For more information about the Lubin School of Business, please contact the Office of Communications and External Relations at 212.618.6500, fax 212.618.6410, or visit www.pace.edu/lubin.

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THE INTERNET REBORN

By Josh Martin

**AFTER YEARS OF REVERSES, THE INTERNET IS
BOUNCING BACK. SURVIVORS OF THE MARKET DOWNTURN
ARE SHOWING THEIR RESILIENCE WITH
MANAGEMENT TEAMS FIRMLY ROOTED IN REALITY.**

The Internet has evolved into a powerful tool, enhancing e-commerce, advertising, communication, information exchange, search and research, public discourse, and business startups via a full menu of products and services accessible to an enormous potential customer base.

The new Internet economy is more than just a return to the boom days with an ounce more caution. Successful players are those who capitalize on the Internet's user friendliness, show a willingness to adapt to consumer demands, and identify profit centers carefully. To win, firms need to approach the challenges of doing business online flexibly and creatively, uncovering and capitalizing on new opportunities as they emerge, and paying heed to the tremendous velocity with which information is transmitted. According to Nielsen/NetRatings and InternetWorldStats.com, the online language population was 800 million people by September 2004, 35.9 percent of whom communicate in English. As Lubin Marketing Professor Paul Kurnit says, "The Internet is the most powerful medium we've ever known."

The Internet has transformed how many industries and organizations operate. Travel agencies and financial service providers now rely on the Web for a significant portion of their sales. Nonprofit organizations use the Internet extensively for fundraising and administration. Educational institutions have developed sophisticated online classrooms to attract a new nationwide student base. Internet users have seemingly endless possibilities to communicate, search for information, do research, and start up businesses, among other things.

While the Internet may be seen as the ultimate user-focused environment, experts at the Lubin School point out that successful Internet business models now downplay flashiness in favor of utilizing solid business practices and retaining key clients. Organizations and businesses that are adopting those models are poised to reap significant rewards; for example, both government and private analysts forecast double-digit annual e-commerce growth rates for the remainder of this decade.



Recently released Commerce Department quarterly figures show e-commerce sales have grown threefold since 1999. Although such sales are at present only a small percentage of total U.S. commercial activity (even the most optimistic measures give online operations less than 7 percent of total sales of goods and services), forecasters believe they are a harbinger of far more dramatic growth in the future.

According to a recent study by Forrester Research Inc., e-commerce is poised to claim a significant share of total trade in goods and services. Total U.S. online sales will more than double over the next six years, growing from approximately \$144 billion in 2004 to \$316 billion in 2010. "Consumers continue to become more comfortable buying a variety of items online," says Forrester Research Senior Analyst Carrie Johnson.

Studies by Forrester, the Gartner Group, and the Direct Marketing Association all show that the Internet retail economy will continue to be dominated by travel services, computer and office supplies, and booksellers for the foreseeable future. But two relatively new advertising-rich retail sectors are expected to enjoy the fastest growth: tools and hardware, and pharmaceuticals. On the services side, banking, travel, and education providers will dominate.

GOOD BUSINESS SENSE

Bottom-line business sense has been the key to survival for both Internet service providers and e-commerce retailers. Consider the contrast between two pioneering search

engines: Excite and Google. Where Excite's management stressed flashy packaging of data and attracting large numbers of Internet hits, Google concentrated on making each hit trigger a simultaneous display of paid advertising links. Today, Excite is not included in the top 15 most used search engines, while Google recently debuted its much anticipated IPO on Wall Street.

Finding a profit center has been only one of several elements Internet survivors and new start-up businesses have in common. Success in e-commerce has also come to companies that carefully develop and nurture a loyal customer base.

"Customer satisfaction is the mantra of most successful e-commerce companies," says Martin Topol, chair of the Marketing Department at Lubin. "If it costs \$60 a year to keep a customer, that's still far less expensive than mounting an ad campaign." Topol adds that many companies enjoying e-commerce success have eliminated intermediaries to reach target clients and have kept customers loyal by providing extra user-friendly services. For example, Travelocity has succeeded by taking a calculated risk—buying blocks of tickets they believe customers want. Amazon maintains the world's largest stock of new and used books to satisfy their extensive customer base. Both of these companies also maintain easy-to-navigate sites that offer additional goods and services tailored to customers' expressed preferences.

For value-minded users, access to real-time consumer information is the greatest online boon. Shoppers who do not buy online often access the Internet to get the information they need to make the deal in person. Web sites like LowerMyBills provide instant price comparisons, a powerful capability unavailable just a few years ago.

GROWING UP

The continued upswing in Internet economic activity is particularly evident in three sectors: banking, education, and politics. Online banking operations have been growing rapidly, thanks in part to improved security measures, reduced costs, and the fact that they can often offer better interest rates than conventional banking facilities.

Successful companies and institutions have learned to adopt their products and services to meet the demands of a changed market. Nowhere has this been more evident than in online education. "Many technical experts use online MBA courses to learn the management side of how to run their businesses," says Jim Hall, associate dean at Lubin and a professor of management active in the e.MBA@PACE program.

But the strongest evidence of the rebirth of Internet economic activity may be seen in the fundraising efforts of political parties in this most political year. Vermont Governor Howard Dean first demonstrated the ease of raising campaign funds online, revolutionizing the political process by making vast numbers of small donations truly count. The true Bush/Kerry contest may have been partly determined online, where both presidential campaign organizations used Internet facilities to raise record amounts of cash. The election of 2004 was the country's first "billion-dollar election." The Internet has also enabled candidates for political office to put out more information (and disinformation!) than ever before, taken public discourse to a totally new level, and added the word "blog" to the lexicon for news and commentary.

While it remains to be seen whether these online efforts have actually galvanized more people to vote, it is clear that players in the Internet economy have gotten more people to buy. Web site ad rates and revenues are rising, as are actual deliveries of products and services. But the Internet economy is a far cry from the go-go environment that prevailed just five years ago. Investors no longer throw money at dot-coms. When Yahoo joined the S&P 500 Index near the peak of the boom, its shares soared 30 percent in a single day, netting investors billions in one-off profits. Google took its shares public in August 2004, with an initial share price set at only \$85, down from the \$125 originally contemplated. Although it went up over 20 percent on the first day of trading, this was a rarity for an Internet stock in this more conservative market environment.

ROOT CAUSES

Experts are divided about what has enabled some Internet companies to survive and thrive while others were driven out of business. George Soros, the global financier, has suggested that the industry collapse in 2001 "was caused not by an unsound business model, but by overextension of credit." In other words, investors threw too much money at Internet entrepreneurs.

Jorge Pinto, director of the Center for Global Finance at The Lubin School of Business, believes the bankruptcies that ensued were brought on because companies failed to adopt basic sound management practices. Hall agrees, "They had no clue about financing, accounting, or other general management skills."

Pinto points out that while the Internet implosion affected all players, those companies that survived did so because they offered products and services with real value.

"Google and Yahoo had real assets, which allowed them to survive," says Pinto. Those assets included substantial advertising revenue.

Because of the now-pervasive role of the Internet in daily business and personal life—according to the Nielsen/NetRatings of September 30, 2004, over 812 million people have Internet access, an increase of 125.2 percent since 2000—the industry's boom-and-bust history is being closely studied. The Pew Charitable Trusts has undertaken a comprehensive research effort to document the role of the Internet in American life. Similarly, the Alfred P. Sloan Foundation recently helped underwrite the creation of the Business Plan Archive (BPA) at the University of Maryland. The goal is to collect as many business plans and related documents from the dot-com era as possible to better understand the assumptions and strategies of Internet entrepreneurs.

WISDOM WITH AGE

It's clear a more sober business culture now prevails. Marketing Professor Jim Gould sees a more mature management outlook for Internet survivors. "Product or service offerings of surviving firms are more in line with market demand," he says. "Firms that failed often created products based on wishes of success rather than on market information. A positive result of lessened access to external monies is that new ideas brought to market are based on sound judgment and an assessment of potential market acceptance rather than management whims." In addition, emerging online technologies are opening up business possibilities to a whole new array of providers.

This is made possible in part because new, better-educated teams of technicians are moving into management positions. According to Hall, "Students are learning to reconceptualize their own performance as part of an entire organization. They are being trained to think horizontally instead of vertically, thinking of the total corporation instead of just their area of technical specialty."

It remains to be seen how emerging Internet entrepreneurs will balance innovation with good business in light of Wall Street's stricter attention to the bottom line. As Gould observes: "Internet survivors [and new start-ups] not only need to offer a product or service desired by the market, they need to be guided by sound management practices to ensure success."

HAND IN HAND:

worker well-being and the bottom line

By Rhonda Mullen

In July, Morgan Stanley chose to settle out of court for \$54 million rather than stand trial on accusations that it denied equal pay and promotions to women. In addition, the company agreed to spend at least \$2 million on diversity programs to improve chances for women to succeed there and to institute antidiscrimination training.

“The settlement is not only costing Morgan Stanley in terms of money but also in image,” says Barry Miller, manager of alumni career programs and services at Pace University. He believes Morgan Stanley could take a lesson from companies that place a higher priority on keeping workers, particularly women, content.

Ernst & Young, for example, has a special branch devoted to making the workplace better for women, including mentoring programs for women seeking promotions as well as programs for men that raise awareness of women’s issues. IBM has a family-friendly corporate culture, allowing employees flexible working arrangements such as working from home one day a week.

Other companies offer creative wellness-oriented programming from on-site concierge services and time management seminars to referral programs for elder care, college searches, or drug and alcohol treatment. Still other businesses encourage the expression of spirituality at work as a balm for the recent scandals that have rocked the corporate landscape.

SAS Institute, a business analytics software company based in North Carolina and featured recently on the *Oprah* show as the best place to work, backs its employee-focused philosophy with two on-site childcare centers, an elder care information and referral program, an employee health care center, wellness programs, a recreation and fitness center, and work-life programs. At apparel company Eileen Fisher, employees receive, among other perks, a \$1,000 wellness benefit to be spent on stress busters such as massages, nutritional consultations, and spa visits. The company also hosts free classes in yoga, tai chi, dance, and stress reduction.

Recent key trends in the changing workplace environment have increased the stress workers feel and therefore the need for corporations to alleviate that stress, according to Linda Sama, a management professor at Lubin and director of the Center for International Business Development. “Globalization, increasing employee diversity, information technology, and an unprecedented swath of corporate scandals combine to create opportunities or threats for firms and inevitable stressors for employees,” she says. “Workers perceive greater job insecurity, which, in turn, negatively affects their well-being.” In fact, in a December 2002 poll conducted by the Society for Human Resource Management and USATODAY.com, employees rated job security as first among 16 elements of job satisfaction, even before compensation.



"Also, employees are being asked to do more with less, as downsizing trends leave those who remain at the job with more responsibilities in an environment where they are fearful that they may be the next to go," Sama remarks.

The strains of corporate business life are particularly costly to families, with many two-career couples in the workforce. Miller believes that "if the corporation is in a way part of the problem, it needs to provide part of the solution—for its own well-being." Flextime is seen as a strong contender for making workers happier by making life more manageable. Among many other studies, a recent survey by the Boston College Center for Work & Family found a positive correlation between flexibility and productivity. In the Boston College poll, 87 percent of employees reported that flexible work arrangements had a positive or very positive impact on productivity, and 70 percent of managers surveyed agreed with them.

Alan Eisner, a management professor who directs the entrepreneurship program at Lubin, feels that wellness programs appear to be good for business. They increase worker satisfaction, which in turn increases worker productivity and retention. "Well-being and productivity go hand in hand," he says.

According to Ron Goetzl, director of the Cornell University Institute for Health and Productivity Studies, if employers invest \$100 to \$150 per employee per year in health promotion, they can expect a \$300 to \$450 ROI for each worker. It turns out an ounce of prevention can translate into fewer health-related drags on productivity down the road, particularly if companies are not seen as concerned solely with getting more work out of their employees at any cost.

Eisner finds growing interest among businesses to gain a reputation for excellence in promoting employee well-being. Lists published by Working Mother Media, *Forbes*, *Essence*, *Computerworld*, and others rank the best of these companies yearly. "While it's an expensive lever to get on one of these popular lists, once companies make the list, they get a reputation as a desirable employer, which increases their pool of applicants and leads to happier employees," says Eisner. "Wellness goes a long way toward productivity. These companies have fewer turnovers, and my gut sense is that they are among the most profitable and successful."

The numbers seem to bear this out globally. A new study by the International Labour Office (ILO) surveyed over 48,000 workers and more than 10,000 workplaces worldwide. A key finding: Personal well-being, happiness, and tolerance are promoted by economic security (particularly income protection and a low degree of income inequality), which, in turn, benefits economic growth and development.

Yet, the trend to support well-being programs for employees is counter-cyclical. According to Lubin Finance Professor Matthew Morey, "In times of flush, when things are



well, we see more of a push toward well-being efforts. But when times are lean, when employees need them most, the programs go away."

Over the past three years in particular, the well-being of American employees has been at great risk. The Economic Policy Institute's just-published report, "The State of Working America 2004/2005," outlined how periods of unemployment, long-term unemployment, and the rise in non-full-time work has created an environment that does not support well-being in the American workplace. The fact that the economy lost jobs for the 41 consecutive months between August 2001 and January 2004 created uncertainty in American workers. Even with the gradual increase in jobs beginning September 2003, only four months show job increases exceeding 150,000.

Lubin Professor of Management Claudia Green believes the problem is that businesses and families have conflicting goals. Businesses have as their focus bottom-line profits and productivity. American families also have as their focus the bottom line—gainful full-time employment with wages sufficient to support their families and a need for health care. "Until those needs are met consistently without discrimination on the basis of gender and race, such benefits as flextime and wellness programs are futile attempts that do not address the core needs of the individual and family," says Green.

Despite having a more positive view of the benefits of wellness programs to both employees and companies, Miller reports that he has seen a pulling back on these programs since September 11, 2001. Some of the human resources departments at businesses formerly represented at workshops now have placed such programs on hold or are redirecting resources elsewhere.

That may not be wise in the long run, says Eisner. Pulling back on wellness programs sends a mixed message to employees, for which companies can pay a big price by having good workers leave for greener pastures. Perhaps, as Green says, the need is to find a way to merge the goals of business and working Americans whereby well-being will become a genuine reciprocity between a better economy and higher living standards for all working Americans.



KING OF DIAMONDS

James Quinn
President, Tiffany & Co.

How far can a Lubin education take you? If you're James Quinn, MBA '80, all the way to the president's office of one of the world's premier specialty retailers. And, as Quinn explains, the path can have some interesting turns along the way.



"I went to Pace to get my MBA because I needed the credential—I hadn't had any academic business training," Quinn remarks. "I earned an MBA in finance, though the marketing and management courses I took prepared me more for my current role at Tiffany. That's why I encourage students to be flexible—the path you're on may change. It may not be the one that leads to your final destination."

Lubin understands what business students want and need, according to Quinn. "In the part-time MBA program, most of us were already involved in our careers. We wanted education clearly linked to the real world, that applied directly to what we were doing on the job. In the classroom, we benefited from guest speakers who were real-life business leaders. Lubin ensured that what we learned was of value in a real, practical sense."

And the degree still holds its value. "To succeed, you've got to bring humility to the job. I'm always trying to prove that hiring me was the right decision. My Lubin MBA is even more valuable to me now as a senior manager."

Attendees will hear more of Quinn's perspectives at the [12th Annual Lubin Alumni Achievement Award Luncheon on December 3, 2004, in New York City](#). "It's an honor to be recognized at the luncheon. Pace is a great New York institution; I've known it for most of my life, beginning with the years my father taught there." Proceeds from this event fund student scholarships—last year, an impressive \$219,000 was raised.

This isn't Quinn's first visit to Lubin since graduation—he was named Executive in Residence for fall term 2000. The program brings senior executives together with Lubin students and faculty for in-depth discussions on emerging business issues.

For current Lubin students, he offers, "Each assignment is an opportunity to contribute and learn about the material and about yourself. Use the experience to find your own particular path, your own unique way to succeed."

FOR FURTHER INFORMATION ABOUT THE LUBIN ALUMNI ACHIEVEMENT AWARD LUNCHEON, CONTACT ANJ ENTERPRISES AT 845.221.9931 OR ANJ@FRONTIERNET.NET.



THE STREET

Reaping Reasonable Returns in an Era of Tech Change

By Loraine Fick

The current securities industry dilemma is a tale in two parts: a major shift in market structure and the unrelenting evolution of technology, specifically electronic trading. Although senior executives nationwide are having trouble finding the value in IT spending—a recent Bain & Co. study showed 60 percent thought IT actually inhibited company growth—they are facing a Hobson’s choice. Securities firms need to get on board with electronic trading and refine the technology to stay competitive. What this apparently means for the New York Stock Exchange is that it is time to change or stand to lose its market-leading position.

DIGITIZING THE NYSE

“The Nasdaq’s structure has always been competitive, but the NYSE hasn’t experienced substantial competition until recently,” remarks Bernie Madoff, chairman and CEO of Bernard L. Madoff Investment Securities, LLC. “In the early days, 99 percent of the securities market was controlled by the NYSE. Then in 1975, an amendment to the Securities and Exchange Act mandated greater competition in listed

securities; electronic linkages were created and competition intensified. Now, only something like 80 percent of listed securities are traded on the NYSE.”

But that 80 percent is considered fair game by a wave of quick and fully automated electronic exchanges, which is why John Thain, chief executive of the NYSE, recently proposed to allow investors to trade big share blocks electronically on the exchange floor. This new plan represents a meaningful departure from the exchange’s open-outcry tradition, where traders buy and sell on the floor, and a meaningful acknowledgement of the need to compete with the electronic exchanges to recapture market share.

A regulatory issue also contributes to the NYSE’s less-than-sure footing. The SEC is considering changing the trade-through rule, which requires that orders be routed to the market with the best price at the time of execution. Though intended to protect investors, the rule’s critics assert it allows NYSE prices—which are often the lowest but subject to change—to compete with other exchanges’ hard prices. Perhaps more importantly, orders routed through the NYSE

are processed unacceptably slowly, at least according to electronic traders. Abolishing the trade-through rule means traders could gain efficiencies by bypassing the Big Board, and that is what Thain hopes to head off. "If the NYSE can evolve into an automated, "fast" market, then no one can ignore it. The net result is everyone will have to be automated," says Madoff.

THE MARKET IN TRANSITION

Wayne Wagner, head of the investment consulting firm Plexus Group, points to a major shift in the securities landscape. "The decline in the number of shares per trade dramatically illustrates a change in market structure. Shares per trade averaged in the low 1,000s for most of the late 1990s. In December 2003, the figure was 433 shares per trade, the lowest since 1974. Does this mean institutional investors are buying less? Not at all—this is the effect of algorithmic trading, using a computer program to slice and dice a large order into small pieces and meter them carefully into an automated exchange."

Algorithmic trading is modeled on the traditional strategies used by traders, including analyzing behavior patterns of particular securities, and is designed to respond to real-time market data. It is computer based, so it is fast, and it is relatively new, so firms are still working out how best to use it.

In addition to speed and efficiency, electronic trading offers another vital benefit. "It's like what eBay did to classified advertising—automated trading took out the middleman," Wagner explains. "Buy-side traders have long had a 'can't live with 'em, can't live without 'em' relationship with the broker community. Automation frees the trader from entanglements with the broker."

"Automation is a commodity," says Madoff. "It plays a major role in efficiency and risk management. In the brokerage business, the key to automation is processing transactions quickly and moving inventory efficiently. What's important for retail firms—the companies under the toughest competitive pressure these days—is that automation improves client service."

"The use of artificial intelligence, which will adjust the algorithm depending on market volume and price action, will blossom in the next few years, amplifying the benefits of computerized trading," Wagner adds. "We'll also see value added in further cost reductions and market efficiencies. However, the 'find-the-buyer' role played by full-service brokerage firms is still necessary; it isn't going away."

LOOKING AHEAD

Both Madoff and Wagner participated in the 11th Annual Securities Industry Conference held at Pace University's downtown New York City campus on October 21, 2004. The

conference, organized by the William C. Freund Center for the Study of Securities Markets at the Lubin School of Business, addressed a top-of-mind issue for the marketplace: "Surviving Increased Competition and Increased Scrutiny in the Securities Industry."

According to Wagner, "We're fine with 15 or so airlines, so why do we need over 800 institutional brokerage firms? Running a full-service firm—or even a top-shelf algorithmic trading engine—is a big-bucks proposition. Many mid-market brokers may find they have more clout if they merge with other firms."

Madoff believes the nature of competition has changed, not necessarily the amount. "The industry has always been tremendously competitive. However, competition has taken on a different form in the marketplace in general, and firms

THE BIG WINNERS WILL BE INVESTORS AND THOSE MARKET INTERMEDIARIES WHO HAVE THE VISION AND ADAPTABILITY TO STAY RELEVANT.

can't stand still—they have to reinvent themselves in order to survive. Those firms flexible enough to adapt will have a better chance of making it.

"So much is up in the air. It's unclear whether more or fewer competitors will be left, though, if profits continue to deteriorate, less will survive."

"Changes in exchange structure, along with changes in the investing environment, have created a radical transformation over a surprisingly short period of time," says Wagner. "The old model is gone. The big winners will be investors and those market intermediaries who have the vision and adaptability to stay relevant."

"There's a balance to be struck," Madoff concludes. "Profitability can't come at the expense of the investing public. This is the challenge of the securities industry—attaining the proper degree of profitability, a reasonable return on capital, that allows firms to serve the investing public well."

MEDIA

TODAY SHOW Paul Kurnit, Marketing, was interviewed by Katie Couric on October 12, 2004, on parenting, kids, and commercialism/consumerism. Kurnit spoke about the misapplied weight that is given to advertising in the dilemma between overindulged children and too permissive parents in this “age of abundance” in America.

THE NEW YORK TIMES

Finance Professor Matthew R. Morey was quoted by Mark Hulbert in an article titled, “How to Rate a Fund Ratings System,” on October 10, 2004. A discussion of Value Line’s success in rating mutual funds mentions Morey’s research, which indicates the Value Line system may be superior to Morningstar’s in predicting the relative performance of mutual funds. Although Morey says not enough data exists to fully compare the two rating systems, he concludes that momentum—a variable ranked positively by Value Line and not by Morningstar—seems to play an important role in predicting better recent performance of a domestic equity fund and thus a higher rating.



FORBES.COM On September 29, 2004, Forbes.com featured an article, “Nasdaq Chief Sees Changes Ahead,” reporting on Robert Greifeld, president and CEO of the Nasdaq market, who spoke at Lubin’s

Global Finance Leadership Forum breakfast held at the Forbes Galleries in New York that morning. Greifeld said Nasdaq plans to include listing itself on its own national market by the end of the year, announce more dual listings from the New York Stock Exchange, and add to the exchange more American depository receipts from overseas. He also addressed such issues as increasing signs of health for the IPO market and the volume-boosting initiatives undertaken by Nasdaq. On the same day, the WallStreetJournal.com DOW JONES NEWSWIRE article, “Nasdaq Still Plans to Move Stock to National Market,” by Gaston F. Ceron, and CBS.MarketWatch.com’s article, “CEO Bob Greifeld lays out goals for exchange,” by Steve Gelsi, highlighted the event.

UNITED PRESS INTERNATIONAL Shihoko Goto’s article on October 1, 2004, “China Debuts as an Economic Powerhouse,” quoted Jorge Pinto, professor and director of the Center for Global Finance, extensively. Speaking of China’s observer status at the Group of Seven meeting in Washington, D.C., Pinto said there is little doubt “that China will only solidify its position within the G7 in years to come...China’s wealth, size, and economic importance won’t go away.” Pinto pointed out that policymakers keep in touch on a daily basis. “The modern economy cannot wait for a meeting to take place,” he said. This story was picked up by MENAFN.com (Middle East North Africa. Financial Network) the same day.

BizED James M. Parker, associate professor of marketing and director of the executive MBA program at the Lubin School, was quoted extensively for “The Executive’s Degree,” by Sharon Shinn, July/August 2004. Parker noted that Lubin has changed how it delivers executive education to “demanding, international, self-sponsored executives who are always on the go.” Noting Lubin’s New York City location, Parker remarked that the school’s rich diversity offers many opportunities for students to exchange insights on how business is done in different countries.



SAN FRANCISCO CHRONICLE Joseph Pastore, Jr., professor of management at Lubin, was quoted in an article titled “Comeback Kids in the Executive Suite—Some Distressed Firms Send an SOS to Their Former CEOs,” July 25, 2004. “[Companies] bring these people back because they have a sense of institutional memory,” said Pastore, remarking on the approach some firms take for coping with management and/or financial trouble.

NEWS AND EVENTS

U.S. News & World Report ranks Lubin's undergraduate program 120th nationwide, which is among the top 3rd of all professionally accredited business schools, in its "America's Best Colleges 2005" survey. This positions Lubin among the top 50 private business programs and in the top **10** undergraduate business programs in the Metropolitan-New York region.

Nobel laureate Joseph Stiglitz spoke on "Globalization and Its Discontents" at the 5th Annual Henry George Symposium on Wednesday, November 3, 2004, at the New York City campus. He was introduced by Robert Isaak, Henry George Professor of International Management at Lubin.



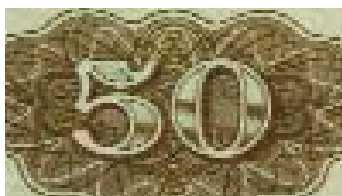
On Wednesday, November 3, 2004, Keith Reinhard, chairman, DDB

Worldwide, visited the New York City campus as an Executive in Residence. *Advertising Age* has referred to him as the advertising industry's "soft-spoken visionary" and in 1999 named him among the top **100** influential people in advertising history. Be sure to check the Lubin Web site for details regarding Reinhard's visit.

Robert Greifeld, president and CEO of the Nasdaq, was interviewed by Paul Maidment, executive editor of *Forbes* magazine and editor of *Forbes.com*, at the Global Finance Leadership Forum on Wednesday, September 29, 2004, at the Forbes Galleries in New York City. The event was sponsored by Lubin's Center for Global Finance and the Accounting Department in conjunction with *Forbes.com* and Gartner, Inc.

Michael Koffler, CEO of MetSchools, Inc., will visit the New York City campus as an Executive in Residence on Thursday, November 18, 2004. The School of Education is partnering with Lubin for this visit; Koffler will speak with undergraduate and graduate students from both schools. Go to www.pace.edu/lubin for more details about this upcoming event.

Entrepreneur magazine ranked Pace University's Lubin School of Business among the top **100** Entrepreneurial Colleges and Universities in the United States for its entrepreneurship program. The Lubin School appears in the second tier of the list of top **50** regionally recognized academic



entrepreneurship programs in the country, up from its previous fourth-tier ranking.

PricewaterhouseCoopers LLP sponsored a breakfast on September 22, 2004, for **25** Lubin Leaders and Scholars students and Beta Alpha Psi accounting honor students. John O'Connor, PwC vice chair—services, hosted the event at company headquarters. Rudy Jacob, accounting chair; Susanne O'Callaghan, Beta Alpha Psi faculty advisor; and Eric Kessler and Kathy Winsted, director and associate director, respectively, of Lubin Leaders and Scholars, attended the breakfast, which was arranged by Lubin's Director of Communications and External Relation, Barbara Rose Aglietti, who was also in attendance.

Students from the Lubin Leaders and Scholars Program had the opportunity to study firsthand the evolving and comparative leadership paradigms in Japan when they traveled to Tokyo, Nagoya, and Osaka for two weeks at the end of August, accompanied by Eric Kessler, faculty advisor, and Stephen Blank, professor of international business.



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AT (845) 221-9931 OR ANJ@FRONTIERNET.NET.

LUBIN SCHOOL OF BUSINESS
Pace University
One Pace Plaza
New York, NY 10038

