

[inside the margins]



Labovitz School
OF BUSINESS AND ECONOMICS

Reaching higher

A publication for alumni, friends, and students

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Volume 2, Issue 3

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A groundbreaking ceremony in late July brought several dignitaries to the UMD campus. Those who helped break ground for the new building are (from left) University of Minnesota Regent Patricia Simmons, Governor Tim Pawlenty, Joel and Sharon Labovitz, UMD Chancellor Kathryn A. Martin, LSBE Dean Kjell R. Knudsen, and Jeff Ziebarth, architect for Perkins+Will.

Groundbreaking on New Labovitz School Opens Doors to More Than Classrooms

The first shovelful of earth turned over in a groundbreaking ceremony is largely symbolic. It represents the change that is about to happen; the progress that will move people forward. Yet this summer, when Joel and Sharon Labovitz, Governor Tim Pawlenty, Regent Patricia Simmons, Chancellor

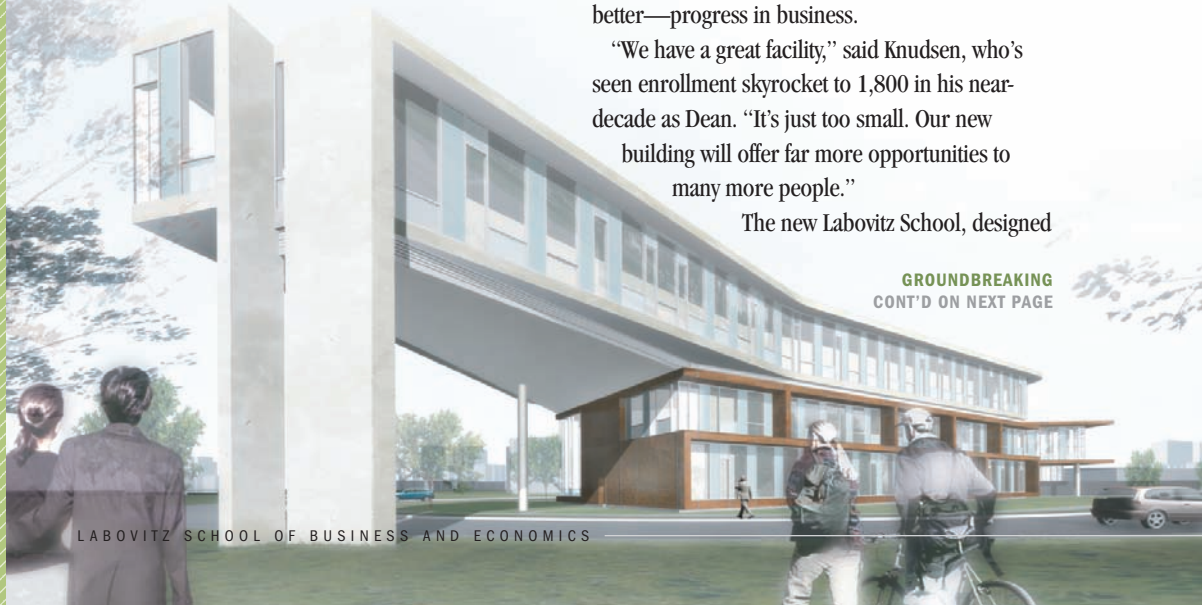
Kathryn A. Martin, Dean Kjell Knudsen, and other dignitaries opened the ground for UMD's fifth building in six years, they quite literally opened doors and minds to any number of possibilities.

More space means more students. More students mean more ideas. More ideas mean more—and better—progress in business.

"We have a great facility," said Knudsen, who's seen enrollment skyrocket to 1,800 in his near-decade as Dean. "It's just too small. Our new building will offer far more opportunities to many more people."

The new Labovitz School, designed

**GROUNDBREAKING
CONT'D ON NEXT PAGE**



LABOVITZ SCHOOL OF BUSINESS AND ECONOMICS

Request for Alumni Information

Alumni News & Notes

We'd love to hear about your latest job, degree, promotion, award, etc., and we'd like to include your good news in this newsletter, as well as in other university-wide publications.

Please send your alumni news to lpjohnso@d.umn.edu, or call 1-866-311-1157.

Also, please send any contact updates (both personal and business), including change of address, phone number and e-mail.



by the architectural firm of Perkins+Will and supported by a \$4.5 million gift from Joel and Sharon Labovitz, will be approximately 1.5 times larger than the current facility, and will include specialized academic teaching labs, an expansive lecture hall, conference rooms, gathering and study space for students, and of course, some of the most technologically advanced and connected classrooms available on a campus setting. It will also include faculty, administrative, and student support offices.

It will be an impressive building, adding to the academic appeal that has drawn students for years (and which led to the AACSB accreditation). And it is already showing its ability to attract the attention of area businesses.

“We have always enjoyed smart, strong, and solid relationships with our business community,” added Knudsen. “We bring business leaders into the classroom; we offer an incredible internship program; we connect with the community to keep our classes relevant and real-world focused. Our expansion with this facility will allow us to do even more, and a Wells Fargo renewed commitment to our Financial Markets Program is just one example.”

In addition to Wells Fargo’s five-year extension of LSBE’s hands-on investment program, the new facility offers a wealth of opportunities for other businesses and individuals who want to get involved.

“There are naming opportunities for classrooms and breakout

rooms—a chance to be a permanent part of the facility—at giving levels of \$15,000 and above,” said Lawrence Johnson, LSBE Director of Development. “No matter what a donor’s giving ability might be, we’re making it possible for alumni to leave their legacy in their business school. Our Alumni Giving Wall is open to pledges at levels of \$2,500, \$5,000, and \$10,000, given over a period of three to five years.”

Johnson also mentioned one anonymous alum who took advantage of a current Federal program which allows donors over the age of 70½ to withdraw and donate \$100,000 from their IRA—without tax liability.

“These are great gifts that foster great programs,” added Knudsen. “And, like the incredible support from the Labovitz family, they make it possible to expand the good things we’re able to do for our students.”

When the new, 65,000-square-foot Labovitz School opens in 2008, it will welcome one of the largest enrollments ever. It will stand as Minnesota’s first public, higher education building certified for Leadership in Energy and Environmental Design. It will bring business and collegiate environments closer together. And it will open wide the opportunities for students who wish to explore and improve our global economic community.

Staff | FOCUS

Sharon Torrison: Forty Years of Good Choices



Sharon Torrison takes a holistic approach to helping students head in the right direction.

They come in with all sorts of questions. What classes should I take this semester? What should I major in? Do you have a stapler? And Sharon Torrison tries to answer them all.

“Our office is right in the middle of everything,” said Torrison, who’s celebrating 20 years at LSBE as Director of Student Affairs and 40 years since beginning her career at UMD. “And when students come in for the little things, that can open up a dialogue about the big things. That’s when we can really start to help them.”

Help, indeed. Torrison’s job description gets longer every day, but the basics include student advisement and academic counseling, monitoring of records and academic performance, coordinating orientations, policy development and implementation, coordination of admission and graduation processes, and liaison services between Student Affairs, LSBE, and other UMD departments. It keeps her busy, but it’s never kept her from her students.

“I love working with college students—helping them make the most of themselves and their academic talents, so they can make the most of their career,” added Torrison. “I feel very fortunate to have spent my career working in higher education.”

Torrison’s career began at UMD in the counseling office, supporting and guiding students on what can be, for some, a difficult journey through college. She took a short time off to

start a family, and after receiving her Master’s in educational psychology, she took a faculty position teaching personal development as part of the Supportive Services Program—again helping higher-risk students find success. She also taught several Women’s Studies courses. Years later, she moved into the Labovitz School of Business and Economics to assist students who were having trouble getting the grades they need to get their degree. Her career has grown from there.

“I’ve learned a lot about education and about business,” said Torrison, who was raised by business owners and who also happens to co-own one of the last “from-scratch” bakeries in town. (In fact, she created a scholarship that honors her entrepreneurial parents while helping an LSBE student.) “I’ve seen this school grow and adapt—to continuously improve its curriculum to meet the demands of a dynamic, contemporary business world; to meet technological advancements on campus; to make a greater commitment to a larger number of students; to extend itself to international students and to study abroad experiences for LSBE students. I believe that, as a group, we’re very dedicated to our students and to the knowledge of our disciplines.”

Torrison takes her job very seriously, no matter what a student might need.

“You have to look at them from every angle—what are their talents and abilities? What aren’t their strengths? And then help them reflect that in the choices they make. My job is to help them choose wisely in school, so that they can become happy, healthy adults who enjoy the life they’ve chosen.”

Ask anyone who’s been through LSBE, and they’ll tell you she’s doing a remarkable job.

Forward Thinking

Kjell R. Knudsen, Dean



There is only one reason for this newsletter: you. We write, create, and develop this publication two times a year exclusively for you. To keep you informed of our developments and accomplishments. To keep you up-to-date with students, faculty, and staff. But most importantly, to simply stay in touch.

You are the alumni of the Labovitz School of Business and Economics, and as such, you will always be friends of this institution. You are our ambassadors, and your words, actions, and successes speak for us. You are the living, working proof of the impact a good education can have on our global economy.

You are also the pathway into real-world work experience and lifelong career success for our students. If we don't know what your interests are or where you're located, however, we can't connect you with the young people who need you. If we don't know what your experience is, we can't bring your expertise into the classroom. But if we can maintain connection and communication, it can be good for everyone.

- Visit our new website at www.d.umn.edu/lbse and drop us an email.
- Take part in our Professor for a Day program and speak directly to students.
- Mentor a student.
- Encourage your employer to offer internship or job-shadow opportunities.
- Share your time and talent, not simply your treasure.

The experience you have to offer our students is invaluable, and the relationship you have with your alma mater is immeasurable. It can be as complex as teaching a course, or as simple as calling an old professor. Either way, we encourage you to keep in touch, and we'll do the same. Please feel free to email me at lbse@d.umn.edu to share your thoughts and ideas.

Talk to you soon!

Sincerely,

A handwritten signature in black ink, appearing to read "Kjell R. Knudsen". The signature is fluid and cursive.

Kjell R. Knudsen, Dean
Labovitz School of Business and Economics
University of Minnesota Duluth



The business of building businesses.

UMD's Center for Economic Development celebrates 20 years of tough questions, hard work, and phenomenal growth.

If you open a restaurant because you love to cook, you're never going to get to do the thing you love. It's the cold, hard truth, but it's the honest wisdom that has helped the Center for Economic Development

(CED) build small businesses and encourage entrepreneurs in northeastern Minnesota for 20 years.

Now, if you have a passion for people, a good head for numbers, and the willingness to work many, many hours, the CED can put you on the path to success with your restaurant—or any business you want to run.

“Our job is to ask the difficult questions; to help people understand the work that goes into running or growing a business; to get them to compare real costs to actual income,” said Elaine Hansen, CED Director. “And it certainly keeps us busy.”

Twenty-five years ago, when the Small Business Administration first funded the network of Small Business Development Centers (five years before CED opened its doors), only 53 businesses received counseling and support—in the entire country, throughout the entire first year. Last year, the CED served 778 businesses in northeastern Minnesota alone.

“That figure doesn't include the hundreds of inquiries we get from companies and individuals making 'hotline calls' to our office, or the dozens of workshops we offer to people looking at starting a business or writing a business plan,” added Hansen.

“Businesses need support—people want to know what to do—and that's why we're here.”

The Center for Economic Development was organized on July 1, 1986 to support an economy that was struggling with a very real economic crisis in the mining industry. David Vose, who was Dean of the Business School at the time; Mike Lalich, then-Director of UMD's Natural Resources Research Institute; and a new LSBE Associate Director named Kjell Knudsen recognized the need for organized economic development in the area, specifically for small- and medium-sized businesses.

“We wanted to position the CED as a real force in assisting business development in northeastern Minnesota,” said Knudsen, who was CED's first Director and who is now the Dean of LSBE. “We wanted to provide the research and development crucial to the industries that formed our economy. We wanted to explore technologies and manufacturing. We wanted to build business in this region, and now, looking back after 20 years and some very difficult times, I think we can all be proud of what the Center has been able to do.”

If you ask Hansen, who is herself a graduate of the Labovitz School of Business and Economics, what she sees as the role of UMD's Center for Economic Development, she'll tell you one thing—business consultation.

“We meet with companies to help them determine the issues they're facing, and we connect them with the resources that can help solve the problem. Many times, we hear 'I need money' to



Toby C. Madden, Regional Economist, Federal Reserve Bank of Minneapolis (left), gave an interactive presentation at the 20th anniversary celebration for the UMD Center for Economic Development. He's pictured with Candy Furo, Student Affairs Staff Member, Labovitz School of Business and Economics, and Frank Ongaro, President, Iron Mining Association of Minnesota.



Kjell R. Knudsen, who helped found the Center for Economic Development in 1986, received an award from current CED Director Elaine Hansen at the 20th anniversary celebration that recognized him for his vision and tireless dedication to making the Center a success.

expand, to hire, to order more product, to pay bills, etc., but most often, it isn't a monetary problem; it's a planning problem that has created a monetary problem. We help businesses plan better; we help them forecast the real costs of doing business; we help them get through issues they haven't even thought about.

"When we meet with individuals looking to start a business or venture into a new area, we ask the hard questions that help them see the real issues. We ask them to call three insurance agents to find out what insurance will actually cost. We tell them to talk to three landlords to get a realistic cost of rent. We give them homework, and it works. Even though nationally the number of businesses that fail in the first five years is 80 percent, 65 percent of the businesses that work with us are successful after five years."

It's a strong record built by experienced people. UMD's Center for Economic Development is a joint project of the Labovitz School of Business and Economics, the Natural Resources Research Institute, and the College of Science and Engineering. As its third Director, Hansen brings her experience from a life-long career in business service, including terms as the Director of Audits and Commissioner of Administration for the State of Minnesota.

"With the proper tools and education, you can do well in business," added Hansen. "And for 20 years, we've been a vital part of that education process."

For more information on how the Center for Economic Development can help with your business or venture, call 218-726-7298.

Reaching Higher Scholarship Initiative Boosts Scholarship Payouts

This summer, Chancellor Kathryn A. Martin announced a great gift to our current and prospective students: a matching scholarship program that enables each donor's gift to do twice the work.

How does it work? Let's say a person donates \$10,000 into the Reaching Higher Scholarship Initiative (the baseline for entry into the matching program). The money is invested through the University of Minnesota Foundation, and UMD's payout, roughly 4.5 percent, or \$450, is given annually as a student scholarship. With this initiative, UMD will match payouts on donations given by December 31, 2008—and in this example, that means \$900 in scholarships. What's more, the endowment is not invaded, and the scholarship is available in perpetuity.

"When you award a scholarship, suddenly that student doesn't have to choose between going to school or giving up—or taking on a third or fourth job just to make it," said Tracey Bolen, Chair of the LSBE Scholarship Committee. "We gave approximately 53 scholarships this year, and we dramatically affected the lives of those students. And naturally, the more we can do, the better it will be for everyone."

"Scholarships are more important than ever in helping a student decide between one university and another," said Lawrence Johnson, LSBE Director of Development, "and this unique program allows us to create even more student scholarship opportunities. If you've ever thought about making a scholarship gift, this is the time to do it."

Student | FOCUS

Meghan Keil: Working Hard to Get Ready for Work

Talk to Meghan Keil, and one thing quickly becomes clear: she's determined to get everything she can out of her education. It's why she works so hard and why she chose LSBE in the first place.

"I could go anywhere, buy a textbook, and memorize what's inside," said Keil, who'll receive degrees in Human Resource Management and Political Science in the Spring of 2008. "But I want to be able to apply the concepts I'm reading about and use them in my career. That's what I'm getting at the Labovitz School."

Keil also said she chose LSBE because she wanted a school that was small enough for one-on-one attention from professors, yet large enough to be well-known.

"I've been given so many opportunities here," added Keil, who rounds out her schedule with active duties such as Student Association President. "I take advantage of extra-curricular activities, study abroad programs, additional lectures—and my internship—I had a professor drive all the way to the Twin Cities, in the summer, to make sure I was getting all that I wanted out of the program. That's personal attention."

Keil, who is already making plans for graduate or law school, regards her professors with the highest esteem, and adds that alumni can make a tremendous impact, as well.

"My professors love what they're doing, and they'll do whatever they can to help me succeed," added Keil. "But when alumni come back to the classroom to share their success, it gives you the drive, hope, and motivation to do it for yourself. Put all those things together, and you get students who are truly ready for the workforce." Students, like Keil, who will no doubt find success.

Meghan Keil, on her trip to the United Arab Emirates as a UMD representative to the Women as Global Leaders Conference in Abu Dhabi. "It was an eye-opening experience. First, to meet and hear from such prominent, powerful business leaders. And secondly, to be exposed to a culture we think we understand—this is the Middle East, and they were so welcoming to us as Americans. It clearly illustrated the fact that you have to set aside your perceptions and opinions if you truly want to understand and lead a group."



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Administration, UMD

Board of Advisors Profile: Karen Andresen

In her first life, as Karen puts it, she was a teacher. A graduate of UMD with a major in English. She understands what it takes to manage a classroom. Now, after 25 years in the business sector—14 of them at the accounting and consulting firm of RSM McGladrey where she serves as Manager of Human Resource Consulting—she understands what it takes to manage a business.

In other words, she has an especially good perspective with which to serve as a link between the Labovitz School and the business community.

“Board members are the pulse of the community and the sounding board for the school,” said Andresen. “We represent a variety of businesses—banking, development, manufacturing, real estate, human resources—we know what companies need, and so we know what programs are most likely to benefit the school and its students.”

Andresen, whose job takes her into a variety of organizations and an almost unimaginable array of workplace scenarios, also brings to the board experience with what businesses look for when hiring.

“I do quite a bit of search work for companies—helping them find employees that fit,” added Andresen. “I know what they want in a new hire, and that provides a unique perspective on the type of graduates we need to create.”

In Andresen’s time on the Board, she’s seen the development of a variety of new programs, including the AACSB accreditation; Financial Markets and Healthcare Management programs; and now, the new building.

“It’s a very exciting time to be at LSBE,” added Andresen.



Karen Andresen, Manager of Human Resource Consulting at RSM McGladrey, Inc. and LSBE Board of Advisors Member

“I’m proud to be a part of what we’re doing here, and I would encourage area business leaders—and especially our alumni—to visit, to see what’s going on, and to get involved in any way they can.”

Alumni Gift Really Hits One Out of the Ballpark

It's not always about the money—even when it comes to donations. This fall, LSBE alum Steve Maki (MBA '91), who is the Director of Facilities and Engineering at the Hubert H. Humphrey Metrodome in Minneapolis, donated the use of a suite at the dome—a great meeting space, especially when you consider that the Minnesota Twins were playing at the time.

“This was a huge gift and totally unlike anything we'd seen before,” said Kjell R. Knudsen, LSBE Dean. “It enabled us to bring together a great group of alumni—to reconnect with them, to let them know the good things we're doing at the Labovitz School, and to really have an enjoyable evening. We couldn't have organized this type of meeting without this spectacular alumni donation. It was a perfect example of what we're talking about when we say 'time, talent, or treasure' in regard to gifts.”

This wasn't a financial donation, but to LSBE, it held just as



much value. If you have questions about giving—no matter what the gift might be—contact Lawrence Johnson at 218-726-6696 or lpjohnso@d.umn.edu.

Faculty | FOCUS

Economic Input: A Discussion with Dr. Shee Wong

LSBE: How long have you been teaching at the Labovitz School?

SW: I joined the Econ Department in 1982, after receiving my Ph.D. from the University of Wisconsin Milwaukee. Currently, I head the Finance and MIS Department, and as a Professor of Finance, I teach mostly in the derivatives and investment areas.

LSBE: What's the most important thing you want your students to learn?

SW: I want them to be confident in their ability to apply classroom knowledge to practical, real-world situations.

LSBE: How do you define the education that will help them do that?

SW: To me, and I hope to my students, education is not a matter of gaining or absorbing information; it's a process of learning to sort out and apply relevant knowledge. It's this ability to apply knowledge that will lead them to success.

LSBE: What are you most passionate about in your career?

SW: There are two driving forces behind everything I do. The first is teaching, in the sense of making knowledge available to students. The second is research, in the sense of creating and gaining knowledge. These are the reasons I do what I do—it is very exciting work.

LSBE: What type of research are you working on now?

SW: Currently, I'm conducting several empirical projects in the area of investor/market sentiment and stock returns.

Specifically, these include: the impact of investor sentiment affecting the volatility of the market as opposed to impacting the rate of return directly; the use of sentiment as a measure of market structure shifts; sentiment and option pricing; and measurement and forecast issues. I'm also looking at investor sentiment as a pure reflection of market fundamentals—it may have been so before 9/11, but I want to see how things have changed since.

LSBE: What will this work mean to the working world?

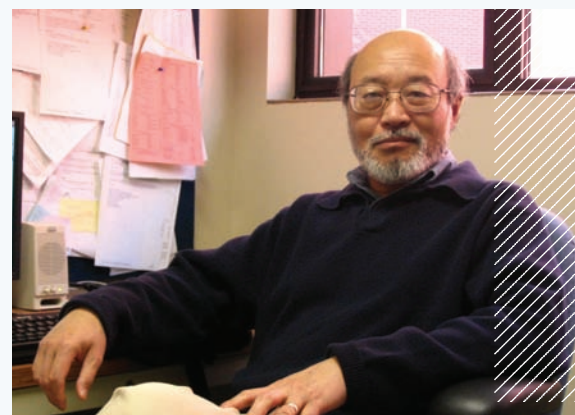
SW: It will contribute to a better understanding of the equity return process, and will allow us to use investor attitude and emotion as additional factors in forecasting and analyzing equity prices.

LSBE: How does this research impact your students?

SW: It is a natural extension—an advanced application—of the materials covered in their Investments/Portfolio classes. It gives them the chance to see how textbook materials are applied at a higher level to extend basic knowledge and develop trading and investing strategies.

LSBE: What do you want alumni to know about the work that's being done at LSBE?

SW: I want them to know our department is growing, that we are actively engaging in research and teaching, and that we would love to hear from them.



Recent Faculty Hires

JILL M. KLINGNER, Ph.D., has joined the FMIS Department as an Assistant Professor. Most recently, Ms. Klingner served as a research assistant for the University of Minnesota's Rural Health Research Center, as well as an advisor/consultant to the Veterans Administration Center for Chronic Disease Outcomes Research. Ms. Klingner's teaching expertise lies in the areas of healthcare management and production/operations management.

LARENA MCGINNITY, MBA, was named an Instructor in the Department of Accounting. A Master's graduate from the University of North Dakota, Ms. McGinnity's expertise includes teaching financial and managerial accounting.

CALENDAR OF EVENTS

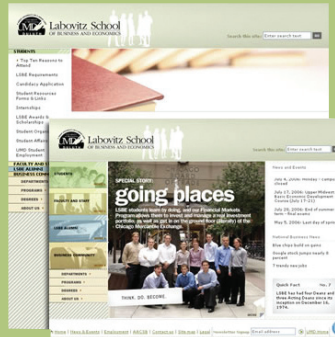
Professor for a Day	February 27, 2007
Beta Gamma Sigma Induction	April 13, 2007
15th Annual Joel Labovitz Entrepreneurial Success Awards	April 18, 2007
UMD Graduate Commencement	May 10, 2007
UMD Undergraduate Commencement	May 12, 2007
Upper Midwest Basic Economic Development Course (BEDC)	July 16 - 20, 2007

New Website Means Improved Access to Your Alma Mater

We're not suggesting you surf the Web while you're at work, but if you have a few moments to check out the new Labovitz School of Business and Economics Web site, it's worth a few ticks off the clock.

www.d.umn.edu/lisbe

You can also watch live construction progress on the new LSBE building at: www.d.umn.edu/webcams/lisbe



Labovitz School
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