INSIDE: Wall Street Comes to SDSU with the Wells Fargo Financial Markets Laboratory – See page 4.
CONTENTS

Wall Street Comes to SDSU with the Wells Fargo Financial Markets Laboratory ........................................4
What a Difference a Year Makes .........................................................6
David Down and KPMG Celebrate Firm’s 50th Anniversary in San Diego ...............................7
Zahn Center Launches Students into Business ......................... 8
Alumni Spotlight: Larry Petersen .................................................10
Leonard Lavin Awarded Honorary Doctorate ......................... 11
FACULTY RESEARCH:
Mostly Bright Forecast for San Diego Commercial Real Estate Market ........................................ 12
The True Cost of Offshoring ..........................................................13
Entrepreneurs vs. Managers – Who Takes Bigger Risks? .... 14
Employee Ownership Pays Off for San Diego Biotechs ...... 15
A Real-World Education: SDSU Students Turn Healthy Snacks into an award-Winning Business .......16
SDSU Grads are the “Driving Force” Behind car2go .............. 17
We Met at SDSU .............................................................................18

Message from the Dean

WELCOME TO THE INAUGURAL ISSUE OF NEWS & VIEWS.

Those of us at SDSU’s College of Business Administration created News & Views to inform, entertain and offer insight on how the college is educating and empowering the future leaders of regional, national and international businesses.

I am extremely honored to lead one of the nation’s oldest and largest AACSB-accredited business schools. Our accomplished faculty, highly ranked academic programs, exceptional staff and bright and eager students are strengthened by increased support from alumni and friends to provide an exceptional foundation for an institution with significant regional, national and international impact. With this in mind, we’d like you to take a few minutes of your time to peruse the pages of this magazine and share in our accomplishments and innovative new endeavors.

I hope you will enjoy the first issue of News & Views and I invite you to share your thoughts and ideas with me as we continue to evolve into one of the most influential and significant business schools in the nation.

Michael R. Cunningham, Ph.D.
Dean, College of Business Administration
San Diego State University
mcunningham@mail.sdsu.edu

College of Business board members (opposite page)
Front row, from left: Gail Naughton, Dan Novak, Beth Wessner, Fred Pierce, Michael Cunningham, Steven Gondi
Second row, from left: Rodney Lanthorne, Luis Cruz, Steve Cushman, Stephen Colilk, Tom Darcy, Rick Hamada, David Down
Back row, from left: Cary Mack, Dennis Gilmore, Craig Stevens, Brian Hansen, Scott Salka, Tom Page
Not Pictured: Malin Burnham, Kim Folsom, John Kontopoulus, Linda Lang, Duane Roth, Jim Sinegal, Mark Snell, Bob Svet, Laura Stansberry
Wall Street Comes to SDSU with the Wells Fargo Financial Markets Laboratory

IMAGINE YOURSELF IN A ROOM SURROUNDED BY BLOOMBERG TERMINALS, two large LCD screens glowing with financial information, scrolling stock tickers and young men and women busily working together in an atmosphere of excitement and anticipation.

While this may sound like a scene from a Wall Street trading room, it is actually taking place in the center of the San Diego State University campus. Established by the College of Business Administration, the Wells Fargo Financial Markets Laboratory is designed to revolutionize the way professors teach finance and how students learn about economic markets.

Classroom Within a Trading Room

The Wells Fargo Financial Markets Laboratory – one of the first of its kind on the West Coast – will offer students from across campus the opportunity to acquire skills that are increasingly required to ensure their competitiveness for the current and future job market. The lab will function as a classroom where students and faculty will retrieve, process and analyze real-time economic and financial data.

The hallmark of the laboratory, which debuted on September 21, 2012, is the integration of Bloomberg terminals and the Wharton financial database. These tools help students understand financial markets, assess economic scenarios and interpret key news events that impact the global economy.

The Wells Fargo Financial Markets Laboratory is much more than a trading room,” said Michael Cunningham, dean of the College of Business Administration. “It is a place where students and faculty can come together and conduct real-time, in-depth research on companies and markets from around the world.”

Encourages Student Investors

This “real-time” component will also allow for exceptional management of a student-run investment fund. Graduate business students currently run the Aztec Equity Fund, which holds approximately $115,000 that is invested by students (and overseen by faculty).

“We have seen many graduate students get jobs in the investment industry [after being involved in the Aztec Equity fund],” said Dr. Mehdii Salehizadeh, finance department chair and professor. “The Laboratory will allow us to create a fund for the undergraduate level students as well.”

“This lab has been in the works for more than a decade,” said Dr. Swaminathan Badrinath, professor of finance, who oversees the lab, along with Salehizadeh. “We’ve always wanted a centralized place where financial market information could be housed and students can benefit.”

Valuable Gift

When Stephen Cushman, San Diego business leader and chairman of the college’s board of directors, gave the initial gift to fund the Laboratory, the anticipated dream became a reality.

“The Wells Fargo Financial Markets Laboratory will add a critical element to enhance the student academic experience and will offer numerous opportunities for use by the greater campus and community to advance financial literacy,” said Cushman.

In addition to its impact on the SDSU campus, Cunningham envisions the laboratory having a strong effect on the entire San Diego region in that it will provide financial literacy education not only to SDSU students, but also to local high schools students from diverse communities.

The final component of the Laboratory involves developing partnerships with local public and private companies. A $1 million gift from Wells Fargo, for whom the Laboratory is named, will provide funding for research, additional equipment and supplemental resources.

The gift was made possible through the efforts of Laura Stansberry, the regional managing director for Wells Fargo Private Bank and member of the College of Business’ Board of Directors.

“Wells Fargo is honored to be the namesake for the new College of Business Administration Financial Markets Laboratory at San Diego State University,” said Stansberry. “Supporting financial literacy has always been a top priority for Wells Fargo. Therefore, partnering with San Diego State University to provide their student body and the community with state-of-art resources that will promote advanced financial education was a natural fit for us. We are truly excited with this endeavor and look forward to making a positive impact in the communities where we live and work.”

This gift will further enable faculty and student teams to sync up with the business community to provide research that will help companies solve financial problems. At the same time, students are seeing their academic studies in an applied setting. Cunningham sees this as a win-win scenario for the college and local business.

“The SDSU College of Business has been a leader in promoting financial literacy education, not only to SDSU students, but also to local high school students from diverse communities,” said Cunningham. “The Wells Fargo Financial Markets Laboratory will continue to set SDSU apart as a leader in business education and, in turn, will help the San Diego economy grow stronger for many years to come.”
What a Difference a Year Makes

THIS PAST YEAR WE HAVE MADE SIGNIFICANT progress in the college. We reduced operating costs and increased efficiency within the college, strengthened ties to the local business community, and continued to build on the college’s reputation for academic excellence.

Highlights from the past year include:

1. Founded the Wells Fargo Financial Markets Laboratory (see page 4) which is one of the first of its kind at a West Coast university.
2. Created advisory boards for each department, center and institute.
3. Consolidated the college’s graduate programs and advisory centers under one umbrella.
4. Instituted a study abroad program and student exchange initiative with Bahçeşehir University in Istanbul.
5. Strengthened ties with the local business community in order to confirm a relevant curriculum and to create career opportunities for students.
6. Galvanized students, faculty, staff, and board members to participate in meaningful community service.
7. Raised approximately $15 million in donations to ensure the continuation of academic excellence and financial resources that will enable the college to achieve our goals.
8. Initiated an aggressive strategy to increase our national rankings.
9. Established partnerships with SDSU’s College of Engineering and College of Sciences to develop entrepreneurial incubators to launch student-run businesses.
10. Implemented a Systems Applications and Products (SAP) training program to help students build a professional tool kit which ensures that they stand out in the competitive job market.
11. Secured a major naming gift to the college’s Entrepreneurial Management Center (see the cover story on the next issue of News & Views for this exciting announcement).
12. Increased support towards SDSU’s Career Services to provide additional job opportunities for SDSU’s business students.
13. In the process of launching an entrepreneurship minor and a sales specialization for undergraduates.

“The commitment and support of our extraordinary faculty, alumni, students and business partners, we anticipate building a best-in-class business school that provides industry leaders for a global market economy,” said Cunningham. “To do this, we will continue building upon the college’s strong recognition, support and financial resources that will enable the college to achieve our goals.”

www.sdsu.edu/business

David Down and KPMG Celebrate Firm’s 50th Anniversary in San Diego

IN 1961, THE ACCOUNTING FIRM of Peat, Marwick, Mitchell & Co. made the decision to expand their business into the growing San Diego market. To do this, they struck a deal to purchase one of San Diego’s oldest and most successful accounting firms, Everts & Esenoff.

Through a corporate merger in 1987, the company eventually became known as KPMG and is today known as one of the largest accounting organizations in the world.

David Down (’76, accounting) started with the firm upon his graduation from SDSU and has been the managing partner of the San Diego office for the past 18 years. During that time, Down has hired many SDSU business grads and serves on the board of directors for SDSU’s College of Business Administration.

“The education I received at SDSU paved the way for success in my chosen field and it’s important to offer that same opportunity to today’s most outstanding SDSU graduates,” said Down. “On a personal note, my wife and I are both proud lifetime members of the SDSU Alumni Association and I am delighted to give back to the university through my involvement as a board member for the College of Business Administration and through my involvement with the Charles W. Lamden School of Accountancy.”

Interesting side note: Charles W. Lamden, the first dean of SDSU’s College of Business and namesake of SDSU’s School of Accountancy worked at Everts & Esenoff when he joined SDSU in 1946.

SDSU College of Business Administration Development Team

The mission of the development team is to work collaboratively with internal and external constituencies to bring the College of Business Administration at SDSU the recognition, support and financial resources that will enable the college to achieve our goals.

“I am of the opinion that my life belongs to the community and as long as I live, it is my privilege to do for it whatever I can.”

– George Bernard Shaw

For more information about how you can make a difference, please contact:

Joe Passaretti
Senior Director of Development
jpassaretti@mail.sdsu.edu
(619)-594-8267

Christa Farmer
Associate Director

Alicia D’Alessandro
Major Gifts Coordinator

Clare Ninteman-Byrd
Development Operations Administrative Analyst
MANY PEOPLE HAVE GREAT IDEAS FOR A REMARKABLE new invention. Few people have the resources to commercialize those inventions. “So many brilliant ideas—even potentially life-saving products—have never gotten into the marketplace due to lack of resources and a well-conceived business plan,” said Gregg Anderson, SDSU student and president of the Entrepreneurial Society of SDSU. “It’s the lack of access to essential information, not the technology, that generally stops start-up companies at the gate.”

Irwin Zahn Sees An Opportunity

As an entrepreneur, Irwin Zahn, the founder of San Diego-based Autosplice, understands the challenges faced by aspiring entrepreneurs trying to build a business around a new innovation. His generous donation funded the Zahn Center, a technology “incubator” to assist teams of SDSU students, faculty and staff that have developed promising new technical innovations.

Upon acceptance to the center, teams are given support and various resources such as meeting space, video conferencing equipment, prototyping assistance and access to helpful business experts. “Innovation and creativity need a place to grow, flourish and blossom within the university,” said Zahn. “Students teams need a working space at the university for better access to mentoring and business expertise, as well as the necessary lab and test equipment.”

Teams Get Their Start

The first five teams accepted into the Zahn Center were selected by a panel of judges. These five teams were also the recipients of the Zahn Incubator Prize Competition which began in mid-February and culminated at the center’s grand opening on March 17, 2012. The Incubator Prize Competition gave the teams seed money along with the Center’s existing resources.

“That seed money will help the teams go a long way toward building a prototype, establishing a website and obtaining patents,” said Cathy Pucher, the center’s interim executive director. “Then they will have 18 – 24 months of the center assistance before they are gently transitioned into the real world.”

The Role of Business Students

The SDSU College of Business Administration and its Entrepreneurial Management Center (EMC) has pledged to work closely with the Zahn Center in order to match up entrepreneurial business students with those who have technical expertise. Dr. Alex DeNoble, executive director of the EMC, stressed the importance of having at least one business student on each team to increase their chance for success.

“It’s critical for start-ups to have a business plan to help direct their financial structure and marketing strategy, especially during that first year,” said DeNoble. “A team member with business expertise is vital for these start-up organizations to not just survive, but thrive.” These new businesses will not only introduce new technologies into the marketplace, but will also offer team members an excellent opportunity to integrate into the local business community.

“Many of our successful alumni and local executives have asked how they can get involved with our best-in-class entrepreneurial students,” noted Dr. Michael Cunningham, dean of SDSU’s College of Business Administration. “The Zahn Center allows them to connect with our student teams, who in turn, leverage these relationships into building businesses that funnel jobs and economic resources back into the community. The Zahn Center is a win-win for both the university and community.”

“Innovation and creativity need a place to grow, flourish and blossom.”

— Irwin Zahn
Larry Petersen, (’71, Marketing) Still Remembers His Final Class at San Diego State. “Marketing Management” culminated in a team exercise: Invent a new company. Figure out every detail. Put it in a 10-year business plan and then defend it while your classmates tear it apart.

“Boy, did they!” Petersen recalls. “But that gave me the ability to think fast on my feet, to understand things and make decisions quickly and accurately.”

Over the next 40 years, Petersen used those skills and the knowledge he gained as a marketing major at SDSU to build a series of multi-million-dollar companies.

His career began with four years of selling sound systems to homes and rock bands for electronics maker JBL. By 1975, Petersen founded LP Marketing, a sales and marketing firm catering to major consumer and professional electronics manufacturers.

Starting from scratch, LP Marketing eventually handled sales and marketing for 50 clients—including Yamaha and Monster Cable—reaching customers such as Best Buy and Apple. The LP Marketing team won more than 100 national sales and marketing awards.

In 1998, Petersen and his wife, Madeline, opened an electronics distribution company with $2,000; they eventually grew Bayview Distributing into a $20 million firm.

More recently, Petersen helped design, develop, and market George Radio, a radio and MP3 docking station, which in 2007 won co-best of show at Macworld, sharing top honors with the iPhone.

Petersen gives early credit for his sales instincts to his father, an architectural sales rep who used to take his young son on calls. But it was his “incredible experience at SDSU” that positioned him for success in both marketing and entrepreneurship.

“Really, it was like a light bulb going off for me,” he says. “Understanding business sparked my entrepreneurial interest.”

Now retired, Petersen applies the same drive and business savvy that fueled his career to his volunteer work at SDSU’s Entrepreneurial Management Center (EMC). He established the Entrepreneur in Residence Program, serves on the EMC advisory board, and is a finalist judge for Venture Challenge, the EMC’s annual business-plan competition. The Petersens also signed a $2 million bequest benefiting the EMC.

“I wanted to give back, to do something to help San Diego State, especially in light of the current budget cuts. My vision is a university that teaches everyone how to be entrepreneurial.”

— Larry Petersen

Leonard Lavin, the founder and chairman emeritus of Alberto Culver Company (the VO5 Company) was presented with an Honorary Doctorate of Humane Letters by the SDSU College of Business Administration on May 18, 2012. The presentation was made by Dean Michael Cunningham and President Elliot Hirshman which took place during the college’s annual Honors Reception the evening prior to commencement services.

Lavin was honored for his lifelong achievements, including his service in the Navy in World War II, his outstanding business career as an innovator and entrepreneur, and his unwavering support of the college including his gifts to SDSU’s Entrepreneurial Management Center that founded the Lavin Entrepreneur Program and the Lavin VentureStart Competition. Additionally, Lavin has acted as a mentor and advisor to the College’s students and faculty for many years.

Lavin is one of only 34 individuals to receive an honorary degree from the University during its 115-year history—the first of which was President John F. Kennedy.
Mostly Bright Forecast for San Diego Commercial Real Estate Market

SAN DIEGO’S COMMERCIAL REAL ESTATE MARKET is looking up—not yet booming, but definitely improving. That’s the finding of a 2012 market forecast published by Cassidy Turley, one of San Diego’s largest commercial real estate services firms.

When Cassidy Turley decided to beef up their data by publishing more empirical numbers in 2010, they approached Dr. Xudong An and Dr. Michael Lea of SDSU’s Corky McMillan Center for Real Estate to gather and crunch the numbers for a 2011 forecast.

An started with a statistical analysis of both real estate and employment data. He and Lea then used the results to forecast major variables in the market, including employment growth, rents, vacancy rates and absorption (the change in occupancy rate or space leased).

The latest forecast notes that the countywide unemployment rate fell from 10.1 percent to 9.2 percent between fourth-quarter 2010 and fourth-quarter 2011. The countywide total office vacancy rate also dropped during that period—from 19.4 percent to 18.6 percent.

Historically low rents coupled with a lull in new office construction are helping to boost leasing activity. With countywide employment projected to rise 1 percent in 2012 and 2.5 percent in 2013—creating renewed demand for office space—their trend is expected to continue.

Lea and An are already looking ahead to working with Cassidy Turley to produce an expanded 2013 forecast, which will include additional classes of commercial real estate, such as industrial space.

“We appreciate this opportunity to serve the local real estate industry and the business community at large,” An said.

The True Cost of Offshoring

IT MAY BE CONTROVERSIAL, ESPECIALLY AT A TIME when so many Americans are out of work, but offshoring is here to stay. And it’s not only the big corporations that send work overseas. Small and medium-sized firms (SMEs) have turned to offshoring, too.

SDSU management professor Martina Musteen, Ph.D. who specializes in international business, wants to know why. She’s currently collecting data from San Diego-based SMEs in manufacturing and high-tech to learn why firms choose to offshore and consequences in terms of performance and innovation.

“Many unforeseen factors may impact offshoring success or lack of success,” Musteen said. “Some companies eventually bring the work back, because hidden costs can be so high.”

Musteen’s inquiry is based on an earlier project she co-authored that explored the effect of offshoring on international competitiveness. That study, based on SMEs in New Mexico, was published in 2009 in the prestigious Journal of International Business Studies. It found offshoring to be quite common among the surveyed firms. Further, when offshoring involved high-value work, such as R&D and engineering the firms tended to report greater international sales.

Based on the data gathered in her new study, Musteen offers several explanations that benefit all San Diego area businesses.

“Some companies eventually bring the work back, because hidden costs can be so high.”

– Dr. Martina Musteen

Musteen believes the results of her new study will offer explanations that benefit all San Diego area businesses.

“We’ll be able to tell them what kind of offshoring practices are beneficial—what works and what doesn’t—and what makes companies decide to offshore. Is it really about cost? The more they know, the more intelligent decisions they’ll be able to make.”

FACULTY RESEARCH

BY SANDRA MILLERS-YOUNGER

At the College of Business, we’re actively engaged in timely and compelling research to equip our students with a leading-edge education, to develop academic knowledge within formal business disciplines, and to provide San Diego area businesses with relevant, valuable and sometimes surprising new information.

Mostly Bright Forecast for San Diego Commercial Real Estate Market

SAN DIEGO’S COMMERCIAL REAL ESTATE MARKET is looking up—not yet booming, but definitely improving. That’s the finding of a 2012 market forecast published by Cassidy Turley, one of San Diego’s largest commercial real estate services firms.

When Cassidy Turley decided to beef up their data by publishing more empirical numbers in 2010, they approached Dr. Xudong An and Dr. Michael Lea of SDSU’s Corky McMillan Center for Real Estate to gather and crunch the numbers for a 2011 forecast.

An started with a statistical analysis of both real estate and employment data. He and Lea then used the results to forecast major variables in the market, including employment growth, rents, vacancy rates and absorption (the change in occupancy rate or space leased).

The latest forecast notes that the countywide unemployment rate fell from 10.1 percent to 9.2 percent between fourth-quarter 2010 and fourth-quarter 2011. The countywide total office vacancy rate also dropped during that period—from 19.4 percent to 18.6 percent.

Historically low rents coupled with a lull in new office construction are helping to boost leasing activity. With countywide employment projected to rise 1 percent in 2012 and 2.5 percent in 2013—creating renewed demand for office space—their trend is expected to continue.

Lea and An are already looking ahead to working with Cassidy Turley to produce an expanded 2013 forecast, which will include additional classes of commercial real estate, such as industrial space.

“We appreciate this opportunity to serve the local real estate industry and the business community at large,” An said.

The True Cost of Offshoring

IT MAY BE CONTROVERSIAL, ESPECIALLY AT A TIME when so many Americans are out of work, but offshoring is here to stay. And it’s not only the big corporations that send work overseas. Small and medium-sized firms (SMEs) have turned to offshoring, too.

SDSU management professor Martina Musteen, Ph.D. who specializes in international business, wants to know why. She’s currently collecting data from San Diego-based SMEs in manufacturing and high-tech to learn why firms choose to offshore and consequences in terms of performance and innovation.

“I find offshoring fascinating,” Musteen said. “It is a very complex and often misunderstood phenomenon. It is also a paradoxical phenomenon. On the company-level, it can be very positive because it enables companies to lower cost and access global talent. But on the industry level, it can be quite damaging, leading to increased competition and the loss of jobs.”

Musteen and her collaborator, Professor Mujtaba Ahsan from Cal Poly Pomona, also want to know whether certain characteristics of a firm predispose it to offshoring, and how managers’ personal attitudes—global mindset, tolerance for risk and even political ideology—may affect the decision.

“Many unforeseen factors may impact offshoring success or lack of success,” Musteen said. “Some companies eventually bring the work back, because hidden costs can be so high.”

Musteen’s inquiry is based on an earlier project she co-authored that explored the effect of offshoring on international competitiveness. That study, based on SMEs in New Mexico, was published in 2009 in the prestigious Journal of International Business Studies. It found offshoring to be quite common among the surveyed firms. Further, when offshoring involved high-value work, such as R&D and engineering the firms tended to report greater international sales.

Based on the data gathered in her new study, Musteen offers several explanations that benefit all San Diego area businesses.

“The more they know, the more intelligent decisions they’ll be able to make.”
Entrepreneurs vs. Managers – Who Takes Bigger Risks?

“Risk-taking is a key part of performing either as an entrepreneur or a manager, yet most people are either too hesitant or over the top.” — Congcong Zheng

WHY DO SOME BUSINESS PEOPLE SPEND THEIR entire careers climbing the corporate ladder while others strike off on their own as entrepreneurs? Why do some shudder at the thought of bearing responsibility for a company’s success or failure, while others chafe at organizational constraints?

The researchers devised an online betting game and recruited 147 San Diego-area business professionals, half managers and half business owners, to play it. The game was designed so that those who wanted to win had to keep betting. For added incentive, the game also rewarded top winners with nominal cash prizes.

Study results confirmed Zheng and her colleagues’ expectations: entrepreneurs took significantly higher risks than managers.

“In general, we found entrepreneurs are more risk-taking both in terms of their personalities and their decision orientations,” Zheng said. “They enjoy novelty and things that are a little risky. In addition, rather than being concerned about negative outcomes, they are more motivated towards advancement, aspirations and accomplishments, and so aim to maximize the amount of gain they can achieve. In completing tasks, they’d rather go all in than hold back.”

Ultimately, Zheng would like to develop workshops to help business people assess and optimize their risk-taking behavior. “Risk-taking is a key part of performing either as an entrepreneur or a manager,” she said, “yet most people are either too hesitant or over the top.”

By the way, the game’s top winner was a 19-year-old entrepreneur, whose dad is also an entrepreneur. So is risk-taking partly a genetic trait? Said Zheng: “A study is not only about the questions you ask, but also the questions you raise.”

They studied the differences between managers and entrepreneurs, especially in perceiving and taking risks.

They studied the differences between managers and entrepreneurs, especially in perceiving and taking risks.

Employee Ownership Pays Off for San Diego Biotechs

EMPLOYEES AS OWNERS OF THE COMPANY THEY work for is a novel idea. Delivering on its commitment to the growth of the San Diego economy, management professors Gangaram Singh, Ph.D. and Lynn Shore, Ph.D. analyzed and published a study in Compensation & Benefits Review where they reported that employee ownership is the predominant business model for most San Diego life sciences firms, but it must be introduced with other practices to serve as a powerful way to attract, motivate and retain valued workers.

“Our findings point to the idea that employee ownership doesn’t necessarily directly benefit the firm,” Shore said. “It has a lot to do with how it’s set up.”

Top managers who saw employee ownership simply as a means of boosting the bottom line didn’t often find the returns they hoped for.

“When stock options were offered, but the CEO said it was only for financial reasons, this seemed to negatively affect firm performance and increase voluntary turnover,” Shore said. “A lot of human nature influences whether employee ownership plans really help the firm. It’s Psych 101.”

Shore and Singh surveyed 103 San Diego County biotech firms in a study funded by the Foundation for Enterprise Development. Foundation president, Mary Ann Beyster, is the daughter of Scientific Applications International Corporation (SAIC) founder, Dr. J. R. Beyster, who considered employee ownership key to SAIC’s success.

“Employee ownership provided the ‘glue’ at SAIC in its epic performance,” Singh said. “Dr. Beyster’s core belief is that ownership will provide the incentive to embrace change. I agree with him, especially in the current financial crisis, when we need to think beyond traditional models of ownership. Our research supports the positive potential of employee ownership.”

The researchers’ biggest discovery? Employee ownership options that give employees a voice in company decision-making—perks such as voting rights, information sharing and business literacy training—tended to support retention.

“Employee ownership provided the ‘glue’ at SAIC in its epic performance.” — Gangaram Singh

Mary Ann Beyster
A real-world education
SDSU students turn healthy snacks into an award-winning business

Nearly a year ago, San Diego State University business students Kevin Gelfand and Martin Reiman stripped their savings accounts bare and opened Shake Smart. "The food stand, which specializes in protein shakes and smoothies, has made history as the first permanent student-run business at the university. "It was a huge risk, but we believed in the idea, so we went for it," said Kevin Gelfand.

"I thought this would be an incredible opportunity to take some of our study we’d once done in class," he said. "We tend to compromise health because of convenience. Fast food might be fast, but it's expensive and fattening. With Shake Smart, something might be fast, but it's expensive and fattening."

For now, the two men are busy with the Entrepreneurs' Organization. "I'm confident his problem was not an isolated one. Gelfand and Reiman, a 22-year-old New Jersey native, began drafting a business plan with help from Bernhard Schroeder, the director of SDSU's Entrepreneurial Management Center.

Part of their business proposal involved taking inventory of the high level of sugars in the products available on campus, to demonstrate the need for their product. Schroeder said he was "stunned" by the results.

"Even I was skeptical in the beginning, and they could've quit any time, but they didn’t," Schroeder said. "They took a look at every single obstacle, and they figured a way to get around them. It's remarkable to see what they've done."

Since opening the stand outside the campus gym, Reiman said, they have remained dedicated to offering products with four key attributes: healthy, affordable, convenient, and tasty.

"It can be easy to forget about our diets, because everyone is on the go and there isn't really time to eat," Gelfand said. "We tend to compromise health because of convenience. Fast food might be fast, but it's expensive and fattening."

For the Mentor Program, also launched in 2011. The program offers students an opportunity to shadow a business professional over course of a one-day period. Cully and Henry met in mid-October to start what they thought was their one-day mentoring experience. That experience lasted for two weeks.

"During the two weeks, which I wished was even longer, I spent my time working with car2go trying to prepare the company for the November opening," said Henry. "During the time I spent working side-by-side with Mike, I got a greater understanding of what it takes to create a new business. I'd taken classes on entrepreneurship and writing business plans, but it is a completely different experience when in the real world."

As a mentor, Cully also found significant merit in the program. "Overall, the mentoring concept is great and I hope the other mentor-businesses saw the value in integrating their mentees into the overall operations process," he said. "I got some great ideas and feedback from Alex and I would not hesitate to bring him on board as a full-time staff member."

If you would like to mentor one or more of our students, please contact Joelyn Darnell at 619-594-6476 or jdarnell@mail.sdsu.edu.

Kevin Gelfand makes a shake at Shake Smart, which he started with a fellow SDSU student. Photo by Peggy Pauttis

Gelfand, a 22-year-old Santa Clarita native. "It's crazy looking back at how it's changed and grown. I feel like I've learned more about business doing this in the past year than in my entire college career."

The products boast a combination of protein powder, ice, fresh fruit and milk while forgoing higher-calorie items like ice cream, frozen yogurt, honey, sugar and other artificial sweeteners.

There are even a few vegan options.

Gelfand, a recent graduate of SDSU, was awarded fourth place in November in the Global Student Entrepreneur Awards, sponsored by the Entrepreneurs' Organization. More than 2,000 individuals from 28 countries entered the competition, which recognizes outstanding for-profit student owned businesses, evaluating them on such aspects as leadership, innovation and overcoming obstacles.

The top 30 contenders participated in a weekend convention, networking with veteran entrepreneurs and fellow competitors at the Global Finals at the New York Stock Exchange last month.

"It was pretty awesome," Gelfand said. "It was a great experience to connect with like-minded people from different parts of the world. Years from now, it'll be cool to see what the top 30 has accomplished."

The idea for Shake Smart began when Gelfand, who was following the recommendations of nutritionists, decided to consume protein within 30 minutes of a workout, realized that commuting home and preparing a healthy snack exceeded that window.

Considering the thousands of gym-goers who frequent the Aztec Recreation Center each week, he was confident his problem was not an isolated one. Gelfand and Reiman, a 22-year-old New Jersey native, began drafting a business plan with help from Bernhard Schroeder, the director of SDSU’s Entrepreneurial Management Center.

Part of their business proposal involved taking inventory of the high level of sugars in the products available on campus, to demonstrate the need for their product. Schroeder said he was “stunned” by the results.

“Even I was skeptical in the beginning, and they could’ve quit any time, but they didn’t,” Schroeder said. “They took a look at every single obstacle, and they figured a way to get around them. It’s remarkable to see what they’ve done.”

Since opening the stand outside the campus gym, Reiman said, they have remained dedicated to offering products with four key attributes: healthy, affordable, convenient, and tasty.

“It can be easy to forget about our diets, because everyone is on the go and there isn’t really time to eat,” Gelfand said. “We tend to compromise health because of convenience. Fast food might be fast, but it’s expensive and fattening. With Shake Smart, something might be fast, but it’s expensive and fattening.”

For the Mentor Program, also launched in 2011. The program offers students an opportunity to shadow a business professional over course of a one-day period. Cully and Henry met in mid-October to start what they thought was their one-day mentoring experience.

That experience lasted for two weeks.

“During the two weeks, which I wished was even longer, I spent my time working with car2go trying to prepare the company for the November opening,” said Henry. “During the time I spent working side-by-side with Mike, I got a greater understanding of what it takes to create a new business. I’d taken classes on entrepreneurship and writing business plans, but it is a completely different experience when in the real world.”

As a mentor, Cully also found significant merit in the program. “Overall, the mentoring concept is great and I hope the other mentor-businesses saw the value in integrating their mentees into the overall operations process,” he said. “I got some great ideas and feedback from Alex and I would not hesitate to bring him on board as a full-time staff member.”

If you would like to mentor one or more of our students, please contact Joelyn Darnell at 619-594-6476 or jdarnell@mail.sdsu.edu.

SDSU Grads are the “Driving Force” Behind car2go

BY SUZANNE FINCH

IF YOU’RE IN THE SAN DIEGO AREA, YOU’VE probably seen them: little blue and white cars labeled “Electric Drive” parked in conspicuously high-traffic areas. The cars are part of the 300-fleet, Daimler-owned car2go San Diego franchise.

All you have to do is get in and drive them away.

For a one-time membership fee of $35, your membership card allows you to access the vehicle nearest to your location. Then you can rent the vehicle by the minute, hour or day with no parking meter or fuel fees.

New to the U.S.

This unique “car sharing” concept is not new in Europe, but is novel to Americans with San Diego being the second franchise of car2go in the U.S., having officially launched in November 2011.

Three SDSU MBA grads were instrumental in the franchise launch: West Coast development manager Walter Rosenkranz (’09, MSBA), location manager Michael Cully (’11, EMBBA) and marketing manager William Berry (’11, EMBBA).

To Cully, car2go was the perfect leap from academia into a new career. “I was really looking for a practical application for my newfound B-school talents and this opportunity looked like it was ripped from the pages of a case study we’d once done in class,” he said.

Mentoring by SDSU Alumni

The new company was also a perfect springboard for the Mentor Program, also launched in 2011. The program offers students an opportunity to shadow a business professional over course of a one-day period.

When Cully was approached by Joelyn Darnell and Chris Graham of the College of Business’ Corporate and Community Involvement office about participating in the program, he eagerly agreed. “As a recent graduate myself, I thought this would be an incredible opportunity to take someone under my wing and give them unfettered access to our upstart organization,” recounted Cully.

That someone turned out to be Alex Henry, an M.B.A. student interested in learning firsthand about San Diego’s business environment. Cully and Henry met in mid-October to start what they thought was their one-day mentoring experience. That experience lasted for two weeks.

“During the two weeks, which I wished was even longer, I spent my time working with car2go trying to prepare the company for the November opening,” said Henry. “During the time I spent working side-by-side with Mike, I got a greater understanding of what it takes to create a new business. I’d taken classes on entrepreneurship and writing business plans, but it is a completely different experience when in the real world.”

As a mentor, Cully also found significant merit in the program. “Overall, the mentoring concept is great and I hope the other mentor-businesses saw the value in integrating their mentees into the overall operations process,” he said. “I got some great ideas and feedback from Alex and I would not hesitate to bring him on board as a full-time staff member.”

If you would like to mentor one or more of our students, please contact Joelyn Darnell at 619-594-6476 or jdarnell@mail.sdsu.edu.
**We Met at SDSU**

**Norm Fjeldheim (’84, information systems) and Cindy McDonald (’86, health sciences):**

My wife and I met at SDSU in October 1982. She was Cindy McDonald at that time and she was in a sorority and I was in a fraternity.

For homecoming that year, the fraternities and sororities were decorating their houses and my fraternity was teamed with her sorority to decorate their sorority house. We were doing a Mark Twain/Tom Sawyer theme and we decided to put real people into our display, all dressed as characters from Mark Twain’s books. Cindy was going to be dressed as Becky Thatcher and one of our pledges was going to be Tom Sawyer. They would be sitting together waiting for the judges who would determine which fraternity/sorority team had done the best job decorating their house.

I didn’t much care for someone else to be sitting with Cindy, since I had noticed her right away and hadn’t had a chance to talk with her. So I sent the pledge off to Home Depot for some more supplies, knowing full well that he would not make it back in time before the judges came by. I became the replacement Tom Sawyer and Cindy and I sat together for about an hour, talking and laughing, while we waited for the judges. I still have no idea if we won the contest or not. As far as I was concerned, I had already won.

After it was over, I asked Cindy out and we just hit it off from there. We were married five years later after we both received our degrees from SDSU and Cindy had received her dental hygiene degree from UCLA. This October will be our 25th wedding anniversary.

---

**Mike Neal (’85, finance; ’96, M.B.A.) and Merrilee Neal (’84, psychology):**

It was fall 1980 at San Diego State University. The ’80s were known for a lot of crazy fashion trends like bright neon colors and big hair. At SDSU in fall of 1980, it was Monty’s Den, the Greek Circle and dolphin shorts available in all colors at the Student Store and a two-tone black and red that matched Aztec colors.

At SDSU, the Greek Circle was where everyone wanted to be. The music could be heard even before you reached your destination. This was where I would meet my future husband.

Mike pitched the fraternity to become a TKE brother and I chose to become a TKE little sister. That freshman year was filled with a lot of great memories. Tailgate parties at Jack Murphy Stadium, theme parties at the TKE Fraternity house, TGIF parties on Friday afternoons, beach parties down at Mission Bay.

We officially started dating the following fall in 1981. The rest is history. So many great memories from our days at SDSU! Our connection to SDSU has remained strong by being active in alumni functions. Mike attended graduate school at SDSU and has taught, and is still active, in the real estate department. Plus, we hold season tickets for Aztec football games and basketball games.

The best thing to have come from my years at SDSU! We celebrated our 26th wedding anniversary on March 8, 2012.

---

**John & Becky**

**Mike & Merrilee**

**John McMullen (’70, marketing) and Becky Sickler (’69, English):**

I left SDSU in 1965 to serve on the Navy and returned to college and to my fraternity, Sigma Alpha Epsilon, in 1967. For the 1967 homecoming parade, we had committed to build our float entry with the Kappa Alpha Theta sorority. The construction of the "Peter Pan Ship" float took place in the College Place circle, in front of the SAE house. As I labored with some paper mache application on the ship’s flying bridge, I began a conversation with an attractive Theta on the other side of the structure. At an opportune moment there was a request for some firecrackers to be used with the ship’s coffee can cannons. I volunteered to retrieve some from my apartment and I invited my new friend, Becky Sickler, to accompany me to secure the requested firecrackers. I was looking for a date for a homecoming cocktail party the fraternity had planned for the upcoming Saturday night. Unfortunately, Becky already had a commitment to attend that party with one of my fraternity brothers. Not to be dissuaded, I asked if she would like to attend a girls’ flag football game in Aztec Bowl on Sunday morning. She agreed.

Sunday dawned with enough rain to cause the football game to be cancelled. So, we went to Carnation’s for coffee to develop a new plan for the morning date. We wound up going to the Point Loma Lighthouse and stopped at Pier One for a browse. I bought her a ceramic frog. We quickly became a couple and were married by December. My fraternity even “serenaded” Becky at the Theta House. She was elected Theta’s president in 1968. I left my apartment and moved into the SAE house to more easily share time together. By Christmas of 1968 we had announced our engagement. We married on June 14, 1969, in San Diego. We both had classes to conclude, me for my degree and Becky for her teaching credential. We took a $150-a-month, one bedroom apartment, on Montezuma Road, between Campanile and 55th.

In June we celebrated our 43rd wedding anniversary. We have kept our ties to SDSU through sports and my active involvement with the Alumni Association where I was the president in 1998.

---

**John & Becky**

**Mike & Merrilee**

**Tim Considine (’62, finance) and Sharon Considine (’64, English):**

It was late August 1960, a Sunday morning to be exact, and my Mother and I were shopping at the Food Basket grocery store at El Cajon Blvd and College Ave. I went to the refrigerated section to get milk, but could not open the door as two boys were sitting on the floor, drinking cartons of chocolate milk and blocking the door. They were wearing TKE sweatshirts and explained that their rush party was the night before. The voting afterwards left them little time for sleep and they were trying to recover with chocolate milk. I explained that I needed to get my milk, but before they would move, one of them asked my name. I said I was Sharon Culver, an incoming freshman at San Diego State College (not SDSU in those days) and had just pledged Pi Beta Phi.

They smiled, moved and I retrieved the milk and went home.

Later that same day, I received a telephone call from Tim Considine, a junior at SDSU and one of the TKE’s fraternity brothers. I was the first female president of the Aztec Athletic Foundation in 1984 and Tim was on the President’s Council which was created by former SDSU President Tom Day and he was also very active on the Campanile Foundation.

Lastly, we are truly an Aztec family as two of our three children also attended SDSU. GO AZTECS!
Thanks to the support of many of our alumni and business partners, the Campaign for SDSU has raised over $350 million for academic programs, student scholarships and the continuing pursuit of excellence at San Diego State University and the College of Business Administration. We need your support to help us reach our goal of $500 million. You can impact the future by investing today in the business leaders of tomorrow.

For more information about how you can make a difference, please contact Joe Passaretti, Senior Director of Development at jpassare@mail.sdsu.edu or (619) 594-8267

www.sdsu.edu/business-give