MEET STERN’S NEW DEAN

Peter Henry is ready to lead the School into the 21st century

Kevin Parker Invests in Clean Energy  Deloitte Post-Recession  Remembering Marcus Nadler  Federally Regulated Insurance?  Slicing and Dicing Internet Data  The Renovated Concourse
It is a pleasure to be a part of the Stern community and to write to you in the alumni magazine for the first time as your new dean. Our economy has gone a long way toward righting itself over the past several months, and despite vestigial sputtering in some sectors and lagging employment, there is a sense that business is re-energized and perhaps even ready to invest and grow. At NYU Stern, we have never stopped investing and growing, in particular, we are grateful to John Paulson, whose leadership gift supports this facilities renovation, as well as two faculty chairs and scholarship aid for students (page 20). I hope you will make it a point to visit and see this wonder.

In the several months I’ve been getting to know the Stern community, I’ve been impressed by its academic vigor. The presence of exceptional real-world practitioners on campus generates additional vitality. Among those augmenting our faculty this year are Eric Dinello, former superintendent of the New York Insurance Department, and John Biggs, former chairman, president, and CEO of THA-CREF. With folks like this, it was a natural to ask them to engage in a point-counterpoint discussion of the insurance industry in the context of “too big to fail” and the question of regulation. You can read an excerpt of their conversation on page 22.

Meanwhile, Stern’s exceptional finance faculty has doggedly kept within its sights the constantly evolving dilemma of our nation’s economy. Their hard-copy book of analysis and advice, published in March 2009 — Restoring Financial Stability: How to Repair a Failed System — morphed into an e-book late last year, and that in turn will be transformed into a successor hard-copy book, Regulating Wall Street, due out from Wiley this fall. Do take a look at this impressive living document: w4.stern.nyu.edu/blogs/regulatingwallstreet/.

You, our alumni, continue to contribute to the world’s economy. In this issue, we interview Kevin Parker (BS ’81), who, as global head of Deutsche Asset Management, has made a sustainable, low-carbon economy a professional and personal goal (page 14).

This is an exciting time to reconnect with your School. We are planning events that we hope will engage alumni worldwide, and, especially as a new comer, I look forward to meeting as many of you as possible. We are proud of your accomplishments and always grateful for your continuing commitment.

Peter Henry
Dean

2 Public Offerings
The Sixth Marketing Dynamics Conference presents the latest marketing research, celebrating Thomas F. Coxsey’s teaching; the first workshop on information in networks; the latest strategies for measuring social impact; debating the role of government in setting accounting standards; entrepreneurial approaches to ending homelessness.

7 Cover Story — Meet Dean Henry
He’s ready to lead Stern into the 21st century.

10 Stern in the City
John Biggs and Eric Dinello engage in a dialogue on whether the insurance industry should be regulated in the context of the financial crisis.

14 Investing for a Low-Carbon Economy
John Biggs and Eric Dinello talk about developing talent.

16 The Renovated Concourse
Brilliant, light-infused, and designed to enhance community, the state-of-the-art renovation of Stern’s Concourse is just a first step in building the strength and depth of our academic bench.

20 Going Long on Stern
Financier John Paulson gives $20 million for faculty chairs, facilities renovation, and student scholarships.

22 The Insurance Industry: Its Future and Recent Past
John Biggs and Eric Dinello engage in a dialogue on whether the insurance industry should be regulated in the context of the financial crisis.

26 Leading Indicators
Stern’s CEO Series: Barry Salzberg of Deutsche Bank talks about developing talent.

28 The Prospectus
A new faculty appointment, noteworthy papers, and faculty awards and honors.

30 Office Hours — Faculty Research
Excerpts from four recent papers, by faculty in NYU Stern’s information, operations, and management sciences department, that demonstrate new ways of utilizing the wealth of information provided by the Internet.

32 Double-Click to Find Your Audience
By Future Project, Henk Odekerken, Red Hook, Xiaohan Zhang, and Alan Murray

33 Reading Between the Lines
By Anindya Ghose, Panagiotis G. Ipeirotis, and Arun Sundararajan

35 Heard It Through the Grapevine?
By Siman Arad, Lee Markish, and Arun Sundararajan

36 Word Games
By Vasant Dhar and Anindya Ghose

38 Peer to Peer
Student Life in Washington Square and Beyond: Luxury retailing, and defining leadership.

40 Alumni Relations
Alumni News and Events: Alumni celebrate the holiday season and the renovation of the Concourse; the annual Alumni Ball; Julie Lucey leads the Office of Development and Alumni Relations; and alumni establish a mentoring program for students.

44 Class Notes
Past Performance
By Marilyn Harris

a letter from the dean

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With scholars and practitioners in attendance from around the US and countries as far-flung as Germany, Turkey, and New Zealand, the Sixth Annual Marketing Dynamics Conference was held in August at NYU Stern and organized by Professor Russell Winer, chair of Stern’s marketing department, and Stern Associate Professor of Marketing Vishal Singh, the three-day conference convened close to 100 attendees from top universities including Columbia, Dartmouth, Harvard, Stanford, Yale, and NYU.

Throughout the conference, participants heard from leading researchers on topics such as research methodology, e-commerce, advertising, new products and their adoption, dynamic pricing, structural models, and market entry.

Stern Professor Tülin Erdem identified two avenues for future development: the dynamics of products and their adoption, dynamic pricing, structuring methodology, e-commerce, advertising, new products and understanding competition. She pointed to two areas for future research: evaluation of the total effects of marketing investments and understanding competition.

During a panel on dynamic learning models, Stern Professors Anindya Ghose and Sha Yang shared two pieces of recent research. In his joint study with Sang Pil Han of NYU, Ghose studied how consumers access social networking sites such as Facebook and portal websites such as Google via their smartphones. They examined how users, who are learning via direct experience versus word-of-mouth input, are influenced by the quality of content, the assimilation of content to the user’s taste, and the fees associated with usage, as well as uncertainty about these factors. Yang, along with her co-authors, looked into consumer decision-making on the household level.

The Seventh Marketing Dynamics Conference will be held in June at Ozyegin University in Istanbul, Turkey.

NYU Stern Honors Thomas F. Cooley’s Deanship at a Celebatory Dinner

Alumni, faculty, administrators, and friends of the School joined together at the St. Regis in New York City on December 14 to honor the seven-year tenure of Thomas F. Cooley as Richard R. West Dean. The School has established a Chair in his name in recognition of his inspired leadership and in appreciation for his unwavering commitment to research, scholarship, and knowledge dissemination.

NYU Stern Hosts First Workshop on Information in Networks

In September, Stern hosted WIN – Workshop on Information in Networks – the first summit to bring together scholars and practitioners to address information in networks – its distribution, diffusion, value, and influence on social and economic outcomes. Hosted by Stern’s Information Systems Professor Sinan Aral, Foster Provost, and Arun Sundararajan, the workshop was attended by speakers and participants from Google Research, HP Labs, IBM, Cambridge, Carnegie Mellon, Columbia, Harvard, MIT, Stanford, University of Pennsylvania, and NYU, Stern.

The presentations and panel discussions centered on how networks shape and influence the world, using such examples as stock markets, the spread of disease, warfare, marketing, politics, and the modern enterprise.

“The purpose of WIN is to bring together leading researchers studying information in networks in order to lay the foundation for ongoing relationships and to build a lasting multidisciplinary research community,” said workshop co-organizer Aral.

For more than five years, Aral and his Stern colleagues have been studying networked data in business and economics, integrating ideas from economics, game theory, information retrieval, machine learning, sociology, and statistics. Their research focuses on the complexity of social networks and how the information contained in these networks changes business outcomes.

At the workshop, Aral explained the study in which he developed a framework to distinguish influence and homophilic effects in dynamic networks in marketing and public health. Provost discussed his research on privacy-friendly social network-based audience selection for online brand advertising and observed that 30 percent of consumers’ free time is spent online, while only 8 to 10 percent of advertising dollars are spent online. Sundararajan talked about his study on the diffusion of demand shocks initiated by Oprah Winfrey’s Book Club and The New York Times Book Review in the recommendation networks of books sold on Amazon.com.

James Fowler, one of the “dynamic duo” of social networks research, according to Science magazine, and author of Connected: The Surprising Power of Social Networks and How They Shape Our Lives, shared his most recent experimental research findings on how cooperative behavior cascades through human social networks.

In addition, Alex “Sandy” Pentland, a computer scientist and the author of Honest Signals: How They Shape Our Lives, presented his research on using reality mining – the collection of machine-sensed environmental data pertaining to human social behavior – to study how the dynamics of social networks influence productivity, creativity, happiness, and social health.

Jon Kleinberg, a 2005 MacArthur Fellow, discussed his study in which he tracked pieces of text as they traveled through online networks, such as e-mails and blogs, in order to analyze how information spreads among people on a global scale and how news stories evolve and compete for attention.

Duncan Watts, often credited with “co-birthing” modern network science and author of Six Degrees: The Science of a Connected Age, showed the Internet is a complex and hyper-connected network, with nodes corresponding to users who are connected if they are aware of each other. He discussed his research on the diffusion of advertising and the importance of understanding how information spreads in social networks.

The range of research topics and mix of academics and practitioners yielded a fruitful discussion and opportunities for further research and collaboration.
“Great strides have been made in the field of social entrepreneurship, but the ability to measure and communicate the impact of a venture’s efforts still remains a significant challenge for most organizations,” said Stern Professor Jill Kickul, organizer of the School’s Sixth Annual Satter Conference of Social Entrepreneurs.

Tackling this issue head-on, some 220 worldwide practitioners from the public, nonprofit, and for-profit fields, along with leading scholars, convened for the Satter Conference in November. Hosted by Stern’s Berkley Center for Entrepreneurship & Innovation, the event followed a two-day academic conference featuring some of the latest research in the areas of social enterprise and measuring an organization’s social impact.

Jed Emerson, managing director for integrated performance at Uhuru Capital, kicked off the event by sharing his personal reflection on society’s shared progress in the field of social enterprise and performance metrics. He cited several obstacles to the field’s continued success, including the implementation of social management information systems across industries and the embedding of metrics in day-to-day business practices.

Richard Steele of Bridgespan Group moderated a panel discussion on impact investing with Georgette Wong, president of Correlation Consulting; Joshua Cohen, managing partner of City Light Capital; Sean Dill, CEO of charity:water; and Tris Lumley, head of strategy at New Philanthropy Capital.

Durreen Shahnaz, founder of the Impact Philanthropy Capital, & Company’s social sector office, and Larry McGill, vice president for research at the Foundation Center, introduced two soon-to-be-released social impact assessment efforts. Callanan presented McKinsey’s recent work geared for foundations and other funders, including a white paper on assessment best practices, a handbook to assist practitioners in designing a learning-driven assessment, and a variety of reference materials. McGill introduced an online database of tools and resources that will be useful for assessing social impact. The database contains 150 tools for measuring and analyzing social impact and is aimed at programs and investments.

John MacIntosh of SeaChange Capital Partners, a nonprofit firm that seeks to arrange funding for high-performance organizations, delved into a case study about Uncommon Schools, an organization operating charter schools in Brooklyn, Newark, and upstate New York that seeks to prepare low-income students for college. Brian Treistad, chief investment officer of the Acumen Fund, discussed the blending of both traditional and social returns in “patient capital,” where investors are willing to forgo returns for an extended period of time.

During a networking reception and awards ceremony, the 2009 Satter Social Entrepreneur of the Year Award was presented to Scott Harrison, founder of charity:water, an organization that has raised more than $10 million and provided more than 700,000 people in 16 developing nations with safe drinking water.


In September, the NYU Stern Salomon Center for the Study of Financial Institutions held a conference for industry leaders, Stern faculty, and journalists on insurance industry regulation, touching on lessons from the financial crisis and options for regulatory improvement, including enacting an optional federal charter.

John Biggs, NYU Stern Executive-in-Residence and former CEO of TIAA-CREF, explained that the insurance industry accounts for approximately 10 percent of GDP and is more systemic than people believe. He noted the conference was an outgrowth of a new chapter of the Stern faculty’s responses to the financial crisis, added online to the e-book version of Restoring Financial Stability: How to Repair a Failed System (Wiley, 2009).

Keynote speaker Roger Ferguson, CEO of TIAA-CREF and former vice chairman of the Board of Governors of the Federal Reserve System, voiced his support for an optional federal charter (OFC) and afterward discussed the issue with Eric Dinallo, Henry Kaufman Visiting Professor of Finance at Stern and former superintendent of the New York State Insurance Department, and Matthew Richardson.

Ross Roundtable Debates the Role of Government in Setting Accounting Standards

“...no one complained when market-to-market accounting principles meant marking up,” commented Stern Accounting Professor Seymour Jones, who led a discussion about political influence on accounting standard-setting last November at Stern. In light of the increased scrutiny on accounting practices as a result of the financial crisis, he asked, “Is what extent should government control GAAP?” Some 40 academics, practitioners, and policy makers gathered for a roundtable discussion, hosted by Stern’s Vincent C. Ross Institute of Accounting, to debate whether or not the Financial Accounting Standards Board (FASB) should be insulated from political pressure.

“The government is now reaching into the healthcare sector and auto industry,” explained Mark Lilling, CPA (BS ’72), of the Audit Committee Consulting Team LLC and of Lilling & Company LLP. “So government involvement in accounting standard-setting seems almost natural.” Raymond Beier of PricewaterhouseCoopers LLP argued that standard-setting needs to be independent and free from government influence. NYU School of Law Professor Stanley Siegel posed the idea of creating a principled process in which politicians openly share their objectives. Stanley Jones, who commented Stern when pushing for changes to accounting standards.

Stanley accounted principles need to be independent and free from political pressure.

Accounting Professor Stephen Ryan, offered a possible solution: using management’s expected “delay and pray” option for companies during an economic downturn, saying that when it works, it saves companies and investors from unnecessary pain. Lawrence White underlined the value of a “delay and pray” opinion for companies during an economic downturn, saying that when it works, it saves companies and investors from unnecessary pain.

Citing a number of obstacles to obtaining high-quality financial reports, Stern Accounting Professor Joshua Ronen offered a possible solution: using management’s expected value of cash flows alongside the disclosure of current exit values as a measure of downside risk.

“Individuals who care about accounting standard-setting need to get organized and foster more debate on these topics,” stressed Stern Accounting Professor Stephen Ryan.

Robert Herz, chairman of the FASB, argued that incentives for business leaders to employ a “delay and pray” tactic in their financial reporting were significant culprits in the financial crisis and need to be addressed.

Taking an opposing view, Stern Economics Professor Lawrence White acknowledged that incentives for business leaders to employ a “delay and pray” tactic in their financial reporting were significant culprits in the financial crisis and need to be addressed.

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What attracted you to pursue the deanship at NYU Stern?

Q: What attracted you to pursue the deanship at NYU Stern?

A: Last April, I was sitting in California, working on my book and enjoying a much needed break after my work for President Obama’s Transition Team (see last question), when I got a call asking me to apply for the deanship at NYU Stern. I was thrilled. The NYU Stern deanship is the only one in the world that I would have taken. The fit was just right. The story of NYU is one of hope, energy, and dynamism – optimistic, creative people, working tirelessly in search of a better life. There are many variations on this story – night school, long commutes, international relocation, scholarships, part-time study, and the list goes on. Although I do not have a degree from NYU, as an immigrant kid, I have an NYU story of my own. This is why I felt an immediate connection to the NYU culture and community.

I was also compelled by the opportunity to take part in NYU President John Sexton’s mission to redefine what “international” means in higher education – to create the one-of-a-kind global network university that is only possible at an institution like NYU. NYU’s global vision is the way of the future. For the first time in history, emerging markets are driving the world’s economic recovery, and a number of these countries will ultimate-
to report that Nobel Laureate economist Mike Spence areas that are central to our mission. Global econom- prioritizes that will drive it. First, we want to deepen a plan, and I want to share the three key strategic and to assess possibilities for mutually beneficial our boards. But I’ve also solicited views from outside to and sharing views with many different groups A: During my early days as dean I’ve been listening Q: NYU Stern’s New York City location is a terrific asset for a business school. What are your thoughts about leveraging this location? A: New York is a strategic hub in both the global economy and the global network university of NYU. Our location enables us to engage readily and regularly with alumni, business leaders, and policy makers from all over the world. Of course, a hub is by definition a launching pad to other places as well as an inbound destination. We intend to venture out into the world more than ever, engaging with alumni, from Scarsdale to Shanghai, Manhattan to the Middle East. We will use the breadth and depth of our faculty excellence, coupled with Stern alumni in leadership positions around the world, to convene, shape, and drive the great conversation between business, govern- ment, and society. I hope that our alumni around the country and the globe will serve as active participants in this endeavor. Q: Can you share your plans for Stern? A: During my early days as dean I’ve been listening Q: What do you hope to bring to the School as the new dean? A: An eye for the big picture. As we emerge from the most significant financial downturn since the 1930s, the global economy is at an inflection point. We don’t know what the future holds, but we do have an opportun- ity to develop leaders who will help shape it. The complex, multifaceted problems of the 21st century – global imbalances, rapid urbanization, and environ- mental sustainability, to name a few – will require leaders who bring a multidisciplinary, integrative approach to problem solving. We need leaders who will deliver solutions to the greatest challenges of the day because they are comfortable with ambiguity, ask the right questions, and because they understand that busi- ness, policy, and society are inextricably linked. So, first and foremost, I bring a new, integrative mindset to the learning experience we deliver. Second, having pro- fessional ties on the West Coast as well as in Washington, I plan to help broaden, deepen, and open doors to new networks. Perhaps most important, I bring optimism, energy, enthusiasm, and great passion to work with faculty, students, and alumni to propel Stern to a place of undisputed excellence in research, teaching, and impact. Q: What do you see as the major challenges and oppor- tunities facing business education today? A: As the world economy changes, we will need to be nimble and adapt to a landscape that will likely be quite different in the future. Emerging markets repre- sent the future of growth. How do we prepare future managers to function effectively in multiple countries and cultures? How do we train a generation of CEOs and business leaders who will make it a corporate imperative to have their employees function as efficient- ly in the Middle East as they do in Manhattan? With these great challenges comes an incredible opportunity to meet them head on. Q: What do you see as the function of business globally? A: Business is one of the most powerful instruments on earth for generating wealth, creating jobs, and help- ing to lift people out of poverty. We’re at a critical time in global business. Capitalism has come under question, economic policies are being reconsidered, and countries are groping to find the best way for- ward. We need to remind the world of the positive impact that business delivers when it behaves responsi- bly. Business schools need to be at the forefront of this discussion. Q: What are your plans to raise the profile of Stern in the business community? A: I am already spending time talking to employers, encouraging them to invest in our students, who stand out from the pack because of how they effec- tively integrate emotional intelligence with intellect. But I also need your help. You are the leaders of busi- ness around the world. You have the opportunity to strengthen your own mini-Stern network within your firm, which enhances our profile from the ground up. The next step is to take advantage of the many link- ages that exist, but that may currently be untapped, among these Stern networks and the business and policy communities at large. Participating at all levels will make what the difference for all of you. Q: How will you work to strengthen the Stern alumni network? A: I am getting out and meeting with alumni – I’ve traveled as far as San Francisco, Los Angeles, and London. Closer to home, I have made stops in Washington, New Jersey, and Westchester in my first few months to get to know our community and inspire them to take part in our future. But the point I want to stress is that the Stern network is YOUR network. Nurture it, leverage it, show your pride in it, and deep- en it. It is you who are the strength of the network and the School. Q: What role do you see alumni playing in advanc- ing Stern? A: Your active involvement in the Stern community is paramount to our success. Hire our students, be a mentor, support the next generation of Stern-educated business leaders, engage in the discourse of ideas with fellow alumni and faculty. And please give generously to Stern. We need your financial support to provide scholarships to talented students of limited means, hire the best faculty, and upgrade our physical facilities. Most important, be an ambassador for your alma mater – as people travel most effectively by word-of-mouth and makes the most credible and powerful support. Q: You’re an economist who studies economic reform in emerging markets. Tell us about your research. A: Let me briefly share an example that hits close to home for me. In spite of having virtually identical institutions, the standards of living in Barbados and Jamaica diverged widely in the 40-year period follow- ing their independence from Britain in the early 1960s. Why did this happen? During the implosion of the Jamaican economy during the 1970s and ‘80s, the government ran large budget deficits, closed the coun- try to international trade, and intervened extensively in the economy. In contrast, Barbados maintained fis- cal temperance, kept state ownership to a minimum, and embraced open markets. The cumulative impact of this difference in decision-making is striking. In 1960, real income was $3,400 per person in Barbados versus $2,200 in Jamaica – a difference of $1,200. Today, the gap between incomes in the two countries is five times as large, and the gap itself exceeds the entire average level of income in Jamaica. What can we learn from this small slice of history? More simply put, public policy is directly connected to economic outcomes. Without good public policy, business suf- fers, and so do standards of living. Governments, large and small, would do well to remember the les-son of this Caribbean parable. Q: You were on the Obama transition team. What was your role and what did you take away from that experience? A: I led the Obama Transition Team’s review of the International Monetary Fund, World Bank, and other international leading agencies. This was a high-octane lesson in what constitutes successful team dynamics. Team members who shared their ideas in the spirit of advancing the President’s goals – exhibiting transparen- cy and true team play – were the most credible and persuasive. Those who chose to row in their own direc- tion were less effective. The take-away? One can wield incredible influence as a team player if you simply remember that you’re playing for the team.
TV Junkie Turned TV Executive

by Jenny Owen

Ask any kid with a television about Nickelodeon and he’ll likely break into the cheerful theme song to Nick’s much-loved nautical show, “SpongeBob SquarePants.” “Who lives in a pineapple under the sea? SpongeBob SquarePants!” Absorbing and yellow and porous is he. SpongeBob SquarePants!

Nickelodeon is an entertainment powerhouse for kids and their families, and the most popular children’s TV network, best known for “SpongeBob” as well as “Dora the Explorer,” “Rugrats” and “Double Dare.” Leading the company’s strategy and business development as senior vice president is Samantha Woodruff (MBA ’04).

“A self-proclaimed TV junkie who loved cartoons as a child and continues to watch a lot of television, Woodruff is working her dream job. “I’m one of those people who wrote their business school essay saying they wanted to do the job that they’re in now,” she said.

She credits her business school experience for teaching her the basics. “Stern gave me a whole toolbox of school essays saying they wanted to do the job that the next generation wouldn’t do. In referring to Nickelodeon as “the biggest TV platform,” Woodruff isn’t exaggerating. After three decades of operation, Nickelodeon is the most-watched television network by kids in the US and basic cable’s number one network overall, with more than 100 million viewing households domestically and 471 million households globally in 161 territories. It operates 29 channels across Africa, Asia, Europe, Latin America, and the U.S.

As it approaches middle age, the network is actually gathering momentum. “The best part about 30 years in business is that the first generation of kids that grew up with Nickelodeon are now parents, so it’s given us a brand that really resonates with the entire family,” said Woodruff. This has allowed us to introduce our business to a variety of audiences that aren’t the core kid, 2-11 demographic, with TeenNick for tweens and teens, Nick Jr for toddlers, and ParentsConnect for parents.

What’s at the heart of Nickelodeon’s success? “We do a ton of research, so we feel really connected to our audiences. We have grown and evolved with them over time,” explained Woodruff. “We have great product—best-in-class animation, great live-action shows, characters that resonate—and that’s a winning formula. We have the best talent in the industry. And we stay true to our audience. Kids are our core, and we’ll never forget it.”

Nickelodeon programs that connect especially well with today’s kids are “iCarly,” “The Penguins of Madagascar,” and one of Woodruff’s personal favorites, “Ni Hao, Kai-lan.” And in the 10 years since Woodruff joined the company, she has witnessed “SpongeBob SquarePants” and “Dora the Explorer” solidify their ranking as two of the top shows on air today.

Woodruff has also seen the explosion of the Internet and multiple media platforms, making content ubiquitous in a way that it wasn’t a decade ago. “iCarly” — whose main character, Carly, has a Web show on which she shares real fan videos — “has a different model that no one would have envisioned 10 years ago,” said Woodruff.

Woodruff also underscored Nickelodeon’s presence in New York City as a contributor to the company’s success. “New York is the number one media market and to be in New York City, in Times Square, in the heart of half the media industry — which has an equal presence in LA — it’s critical for us.”

Despite the fact that Nickelodeon is an ad-supported business in a down economy, Woodruff said the business remains strong. “We’re doing really well, which speaks to the power of Nickelodeon.”

Continued growth for Nickelodeon includes a partnership with Sony to premier a show called “Big Time Rush,” which follows the making and breaking of a boy band. Plans are also in the works for a new TMNT CGI (computer-generated imagery) series and a movie with Paramount.

Woodruff has also seen growth in her personal life, with the addition of baby daughter Lila, who gives her yet another reason to tune into kids’ television programming. Together, the two enjoy watching “The Backyardigans” and “The Fresh Beat Band.”
When you think of the Meatpacking District in New York City, a few adjectives may come to mind: chic, hip, vibrant. The Gansevoort Hotel, an anchor in the once gritty area, is synonymous with the neighborhood’s image, largely because it contributed to its gentrification. The hotel, rated among the best in the world, is the first five-star hotel in the neighborhood. Michael Achenbaum (MBA/JD ’98) leads the Gansevoort Hotel Group (GHG) as its co-owner and president.

Achenbaum has always had a fascination with buildings, dreaming when he was young of becoming an architect. “I grew up thinking I would design and build buildings,” he said. Instead, he pursued an MBA/JD dual degree from NYU and worked at Nomura Securities and Bear Stearns issuing loans for securitized mortgages. “We’ve been hearing about the trouble that these products have caused in today’s markets, and, interestingly, at the time I was working with them (in the 1990s), they had their own issues,” he said. During his time on Wall Street, “I witnessed a number of multimillion-dollar deals and got a great deal of valuation experience very quickly.”

However, the environments were not as entrepreneurial as he liked, and Achenbaum made the decision to go into the family business – his father is the chairman of GHG. “The contacts and experience I honed while working at those companies helped me a great deal when I made the transition to GHG.”

The Gansevoort Hotel in the Meatpacking District, built in 2004, was the first of the Gansevoort-branded projects. Achenbaum was very involved in its construction, and he oversees the design and operational aspects of GHG’s subsequent projects, which include hotels in Miami, South Beach, Turks and Caicos, and, this year, on Park Avenue in New York City. “I am constantly traveling,” he said. “Whether it’s to view furniture samples in Asia or to meet and build relationships with high-end restaurateurs, designers, and club and retail operators for space in our hotels, I am looking for that fresh angle that will enhance the Gansevoort brand.” His law and business skills constantly come into play, too, since he’s frequently reviewing agreements and contracts.

Plans exist for the Gansevoort to expand into other major cities, including London, Los Angeles, and, further down the line, Las Vegas. “Our signature elements are our bars and rooftop pools. The expectation of the rooftop sets limits on where we can expand,” Achenbaum explained. The economy has also limited expansion and forced GHG to examine its business. “We’re careful not to cut back – we strive to maintain the same level of service, which we understand may net us less profit. If we cut back on service, we risk damage to the brand and to our customer loyalty – two things we don’t want to compromise.” Working with family can add complexity, too. Achenbaum and his father are equal partners, but, “I always say there is nothing equal about being in business with your father. He holds the ultimate trump card. Though, I have to appreciate that he has given me amazing opportunities.”

Achenbaum has learned over the years to take downtime and disconnect from his job, even if it’s just shutting off his cell phone for a few hours. “When you’re involved in a family business that is highly entrepreneurial, you take pride in what you do and it’s hard to turn off.”

On the personal side, Achenbaum is deeply involved in children’s charities and mentoring young adults, a cause he has supported for a long while. “In college, I was involved in a big sibling program. I believe that if you can help one child, that child may grow up later in life with the same belief,” he noted. “It’s hugely rewarding to me to see how my time and effort spent with a child or young adult yields positive results.”

In his downtime, Achenbaum can occasionally be found at hot spots in New York City, but he said he prefers spending time within a smaller circle. “I like sociable restaurants with a musical element to them, and I like to go out to a great dinner with some of my closest friends.” Whether he’s putting his stamp on a new hotel or planning an evening out, this is a man who knows what he likes.

Michael Achenbaum (center) leads the Gansevoort Hotel Group. (From left to right) The new Gansevoort Park Avenue is scheduled to open this year.
Kevin Parker joined Deutsche Bank (DB) in 1997. Before assuming his current role in 2004, he served as the global head of institutional equities from 2000 to 2004, and from 1997 to 2000 he was responsible for building and developing DB’s equity derivatives and trading, and prime brokerage businesses. Prior to joining DB, he worked at Morgan Stanley in a variety of positions. Parker, a member of DB’s group executive committee, oversees some $700 billion of assets across a broad range of asset classes. One of those classes – valued at about $60 billion and grouped under a unit Parker formed, called Deutsche Bank Climate Change Advisors (DBCCA) – focuses on businesses and technologies aimed at mitigating the effects of climate change, a megatrend he believes will drive investment markets over the coming decades. It is also a cause he has come to champion. He is increasingly taking the campaign for a low-carbon economy public, most obviously in the form of the Carbon Counter, a 70-foot-tall electronic billboard in New York City that uses a counter to display the real-time accumulation of greenhouse gases in the atmosphere. In January, Parker spoke at the World Future Energy Summit in Abu Dhabi, a gathering of 3,000 world leaders, investors, and researchers.

1. How did you first become interested in environmental issues?
I grew up in New Jersey, and driving up the parkway was a constant reminder of the issues we have to contend with. Many of the diseases we have to worry about now, 40 years later, it’s pretty clear that many of the diseases we have to contend with are the result of chemicals. And living up the parkway, I became interested in wine in my early 20s, though I never intended to own a vineyard. But when I was living in Tokyo, I was approached by a friend of a friend about putting a little money into his vineyard. We both agreed that growing organically was the way to do it. Fifteen years later, we’re happy we did, and we’re producing world-class wines. At the same time, living in Japan and thinking about its demographics – an aging population, high savings rate, slowing economic growth – and how that was atypical of much of the world, I began to think about population growth and how there will be nine billion people on the planet by 2050. That led me to think about the sustainability of the atmosphere and of energy. I made my first personal investments in renewable energy at that time. And I started to ask what it would take for the world to shift to a low-carbon economy. Getting Deutsche Bank on board was neither easy at first. I started the effort here in 2005, but it wasn’t until Al Gore spoke at my conference in 2007 that a sea change began to take effect throughout different pockets of the bank and in different arenas, like sustainable building, interest in carbon trading, and solar energy. People follow the bouncing ball of money. Plus, Deutsche Bank has always had a big commitment to being a sustainable and responsible global citizen.

2. Not many people have the vision to go from growing grapes organically to building a $4 billion asset management business focused on climate change.

How did you go about it, and how did you get Deutsche Bank on board with the idea of investing in these alternative assets?
I became interested in wine in my early 20s, though I never intended to own a vineyard. But when I was living in Tokyo, I was approached by a friend of a friend about putting a little money into his vineyard. We both agreed that growing organically was the way to do it. Fifteen years later, we’re happy we did, and we’re producing world-class wines. At the same time, living in Japan and thinking about its demographics – an aging population, high savings rate, slowing economic growth – and how that was atypical of much of the world, I began to think about population growth and how there will be nine billion people on the planet by 2050. That led me to think about the sustainability of the atmosphere and of energy. I made my first personal investments in renewable energy at that time. And I started to ask what it would take for the world to shift to a low-carbon economy. Getting Deutsche Bank on board wasn’t easy at first. I started the effort here in 2005, but it wasn’t until Al Gore spoke at my conference in 2007 that a sea change began to take effect throughout different pockets of the bank and in different arenas, like sustainable building, interest in carbon trading, and solar energy. People follow the bouncing ball of money. Plus, Deutsche Bank has always had a big commitment to being a sustainable and responsible global citizen.

3. What is your process for identifying megatrends such as climate change?
When I was a senior at Stern in 1981 I wrote a paper published in a Stern magazine on scenario planning. So strategic planning has been with me since college days, and it works particularly well in asset management because the trends in asset management tend to be very long-lived. And megatrends can have a long-term impact if you get them right – or wrong! In 2005 we spent a lot of time mapping the megatrends. We identified six and I added the seventh: climate change.

4. You have said that the US Congress is the biggest obstacle to a low-carbon economy in this country. How so?
Rather than recognizing the clear and present danger we face from climate change, our leaders are putting political agendas first, debating on the basis of left-aisle and right-aisle issues. It’s insanity. A very recent study by MIT predicted that a do-nothing scenario could result in the kind of temperature elevation that could mean the extinction of the human race by the end of this century. That’s how fast change is happening. Every model of the effect of greenhouse gases has been wrong. We’re seeing changes in the environment decades ahead of schedule. Lobbyists play a role in trying to block progress, but legislators are supposed to be leaders and see past that. The US is expected to be a leader in the world, but we have sat on the fence for a dozen years, which gives the rest of the world a free pass to do nothing. Sadly, our legislators are failing miserably.

5. If you were a legislator, what would be the first bill you would propose to put the US on the path to a low-carbon future?
The cap-and-trade bill would be a good first step. Once the allowances are sorted out, as carbon emissions increase and move up to the cap, the price of carbon will start to increase and it becomes more attractive to switch to alternatives. And there should be follow-on regulations regarding feed-in tariffs and energy-efficiency standards that force us to really reach. The automakers can just step over the current standards.

6. Experts say it will take a $45 trillion investment, globally, over the next few decades to transition to a more sustainable energy model. How do we get there from here?
We make it attractive. For capital formation, there needs to be TLC – transparency, longevity, and certainty. We need a transparent regulatory environment, certainty for investors, no flip-flopping. I worry more about the resolve of legislators to foster this shift than the capital.

7. Did you ever envision yourself becoming an evangelist for any cause, and particularly this one?
No, and I didn’t want to. I’ve had a policy of not talking to the press for almost three decades on Wall Street. But that changed last spring. I took my older son, who was eight at the time, to try out for a hockey team that was a reach for him. If he made it, great, but if not, he would learn a little about dealing with rejection. He didn’t make the team, and of course he was very upset. After a while he turned to me and said, “Dad, it doesn’t really matter, because with global warming there won’t be any ice on the planet in 10 years, so I wouldn’t be able to play anyway.” I know when he gets a little older he’s going to ask me why, if I knew this was happening, I didn’t do something about it. With all the resources we have at Deutsche Bank, and the great research we’ve sponsored and been a part of, to not take the fight more broadly would be a waste. The Carbon Counter we built in Manhattan, at Seventh Avenue and 33rd Street, is a small but effective part of that, and we’re considering bids to build others in several other countries.

8. What influence has your experience at Stern had on your career?
The great quality of Stern is that the students are gritty, tough, street-smart, high-reality kids. It’s a world-class educational institution located in New York City, the most competitive place in the world. You can’t beat that combination.
In a festive ribbon-cutting that kicked off the 9th Annual NYU Stern Alumni Ball, alumni celebrated on campus in the transformed Concourses of Tisch Hall. The lobby’s new glass façade and skylights on Gould Plaza infuse spaces with light. The centerpiece glass stairwell creates an ambience of openness and connection. Dynamism, energy, and color now flood hallways. Walk the new halls of Stern in the following pages to get a closer look.

The renovated Tisch Hall Lobby features a glass façade that now brings light into the space.

Gould Plaza begins to glow at night.

Being global is central to Stern and is reflected in its environment (Upper Concourse Lobby).
Skylights on Gould Plaza filter light into the Upper and Lower Concourses.

Lounges and “touch-down” stations provide opportunities for students to socialize and study.

The energy of Stern flows up and down the interconnecting stairwell between Tisch Lobby and the Concourses.

The Ernst & Young Learning Center (Lower Concourse) offers tutoring support to undergraduate students.

Modern, bright lounges with splashes of color offer welcoming study spaces.

The small discussion classroom configuration enhances student learning.

The renovated lobby of the Henry Kaufman Management Center has a clean, modern feel.

Imagine what it would feel like to see your name on the walls of your alma mater. Make a three-year commitment today of $5,000, $10,000, or $25,000 to the Stern Fund, in support of the Concourse Project, and have your name on a donor recognition wall in the newly renovated space.

To learn more, visit the website at www.stern.nyu.edu/buildconcourse or call (212) 998-4161.
John Paulson says he was inspired to begin a career in finance in the halls of NYU's College of Business Administration (one of NYU Stern's earlier incarnations), and he has given back to his alma mater in spades. Last winter, Paulson (BS ’78), founder and chairman of Paulson & Co., announced a gift of $20 million to Stern. Paulson's gift will endow two faculty chairs. The Alan Greenspan Chair in Economics and the John A. Paulson Professor of Finance and Economics, where we will continue to further strengthen Stern's research capability, particularly in finance and economics, where we will continue to demonstrate the intellectual leadership that has propelled Stern to the forefront of business education institutions.

His gift will also provide much-needed scholarships for undergraduate business students. It's already helped propel the School into the School helped shape the objectives of his major gift. Paulson said: “NYU Stern, like other schools, faces financial pressures in the current economic environment and relies on the support of its alumni. I am grateful for the education I received at Stern. My hope is that this gift will advance the School’s mission as a global leader in business education and economic research.”

— John A. Paulson

"We are extremely grateful for John’s support," said Peter Henry, dean of NYU Stern. "His generous gift will further strengthen Stern’s research capability, particularly in finance and economics, where we will continue to demonstrate the intellectual leadership that has propelled Stern to the forefront of business education institutions. His gift will also provide much-needed scholarships for undergraduate business students. It’s already helped provide our outstanding students with a modernized learning environment that matches the high-quality educational experience we deliver.”

Paulson founded New York-based Paulson & Co. in 1994. A hedge fund management company focusing on event-driven strategies, it is now one of the largest alternative asset managers in the world. During the recent sub-prime mortgage crisis, Paulson developed a contrarian strategy that included shorting mortgage-backed securities. It turned into one of the greatest trades in Wall Street history. One of his funds grew 590 percent in 2007, and three others more than doubled their assets. Paulson & Co. now manages more than $30 billion in assets.

A career in finance wasn’t always in the cards for Paulson. His interest crystallized while a student at Stern, when he took a course taught by John Whitehead, then chairman of Goldman Sachs. Whitehead invited other Goldman partners as lecturers, including Steve Friedman (later chairman of Goldman) and Robert Rubin (later chairman of Goldman and then US Treasury Secretary). “This course influenced my career in both M&A and risk arbitrage,” Paulson recalled. “I think M&A is the most exciting part of investment banking, and risk arbitrage is the most exciting part of money management.”

Paulson has been an active participant in Stern activities for several years, speaking regularly to students and alumni. In 2006 he became a member of the School’s Executive Board, then joined the Board of Overseers, which has enabled him to contribute input to the School’s curricular initiatives and operations. His insights into the School helped shape the objectives of his major gift. Paulson said: “NYU Stern, like other schools, faces financial pressures in the current economic environment and relies on the support of its alumni. I am grateful for the education I received at Stern. My hope is that this gift will advance the School’s mission as a global leader in business education and economic research, as well as provide scholarships to gifted students with financial needs.”

The Stern School will apply $5 million of Paulson’s gift to support two endowed faculty chairs. The first chair is named for alumnus Alan Greenspan (BS ‘48, MA 50, PhD ‘77), a leading economist and former chairman of the Federal Reserve Board. It will be held by A. Michael Spence, nobel economist, who will join Stern in September (page 23).

The second chair, named the John A. Paulson Professor of Finance and Alternative Investments, is held by Professor of Finance Lasse H. Pedersen, who is the first professor to hold this chair. Pedersen's award-winning research, focusing on how liquidity risk affects security prices, trading, funding, and risk management, has influenced practitioners and regulators as well as academics. Scholarships for undergraduate business students will be funded by $4 million of the gift. These high-merit, high-need students will be known as Paulson Scholars. The first group of Paulson Scholars will enter Stern in Fall 2010.

The remaining $11 million of the gift supports the Concourse Project, the School’s most significant campus renovation since consolidating the undergraduate and graduate programs on Washington Square 22 years ago. The project has modernized classrooms and study spaces, created a more open learning environment, and connected the School’s two primary buildings, the Henry Kaufman Management Center and Tisch Hall. In recognition of Paulson’s generosity, the School has named the first-floor lobby of Tisch Hall and the School’s auditorium in his honor. These spaces are prominent locations for hosting business and policy conferences and serve as central community hubs for students and returning alumni.

“John’s support for the Concourse Project and for student scholarships is particularly meaningful,” said Sally Blount, vice dean and dean of Stern’s Undergraduate College. “Our faculty and students deserve to teach and learn in a physical environment that empowers state-of-the-art design and technology that facilitates the networked nature of today’s learning community. John’s gift will also enable more students with financial need to pursue their education at Stern, a fundamental priority for the School.”
In March 2009, responding to the financial crisis, 33 professors from the NYU Stern and NYU faculties published a collection of 18 policy papers called Restoring Financial Stability: How to Repair a Failed System (Wiley, 2009). The collection was subsequently updated online and now includes a chapter on insurance industry regulation that derives from a white paper prepared by four faculty members last fall for a conference Stern hosted on the subject. One of its authors was John Biggs, Executive-in-Residence at NYU Stern, who for 10 years was chairman, CEO, and president of TIAA-CREF, the major pension and investment firm serving higher education. In November, Biggs met with Eric Dinallo, Henry Kaufman Visiting Professor of Finance at Stern, who, as the 39th superintendent of the New York State Insurance Department, led the state’s role in the 2008 rescue of insurance giant American International Group Inc (AIG). They discussed whether the recent financial crisis and the AIG bailout indicate a need for federal regulation of the insurance industry, such as an optional federal charter. Highlights of their discussion follow.

**On Regulating the Insurance Industry**

**John Biggs** The banking model of letting banks be regulated by either the federal or state governments seems like a good model for the insurance industry. Most insurance companies would prefer state regulation, which they know and it’s been a good system for them. The very large, national 50-state companies would seriously consider an optional federal charter, but they sought to go into it carefully, because you don’t know what you’re going to get with a federal regulator. But it should be optional. We might move to a mandatory system as we think through what “too big to fail” or “too interconnected to fail” means. I also like the FDIC model pre-collapse of the economy, assessing premiums, rather than the state guarantee system. You have state and federal banks, but one FDIC system that covers everybody. There may still be a role for the state in cases where it’s done a good job dealing with small failures but doesn’t have the capacity to deal with big failures.

**Eric Dinallo** Rationalization is important, but I’m fundamentally against companies choosing their regulator. There shouldn’t be any optionality. It should be like a marriage, not dating. The financial crisis happened in part because of this “choose your regulator” approach. That’s what hurt AIG, because it was being regulated at the highest level by an authority that was really supposed to be regulating savings and loans, and only a thousand of AIG’s balance sheet was that kind of commercial bank. I still don’t see how you’re going to regulate a company if you don’t understand what the dominant business is.

A deeper issue is that…as a society we’re accepting “too big to fail” in that we’re permitting leverage to be created in one part of the company off a base of deposits, whether they’re insurance policies or bank deposits, which should be separated. The people 70 years ago who came up with the Glass-Steagall Act [which established the FDIC and prohibited bank holding companies from owning other financial companies], which we abrogated just a few years ago, had good reasons for not wanting the American public to essentially be subsidizing an entity’s leveraged banking activity. We should be revisiting that.

**JB** I absolutely agree with Eric that the AIG choice of its federal regulator was an outrageous and egregious example of what’s called “regulatory arbitrage.” But I don’t think optionality between a competent state or federal insurance regulator gives that kind of an arbitrage opportunity. For instance, TIAA-CREF found it very clumsy to operate nationally, since we had to get all of our representatives licensed and products approved in all 50 states. It’s improved, but it’s still difficult. Also our business was primarily offering pension plans and annuities, and our principal competitors weren’t other insurance companies but Fidelity, Vanguard, T. Rowe Price, and Charles Schwab, which operate under a federal regulator in a very simple structure. Federal regulators can be very intrusive. The insurance companies tried through 15 years of litigation to avoid the SEC’s intrusive role, but once they got there, they found it was livable, and so most major insurance companies have an SEC relationship for their products.

**ED** The battle about federal versus state regulation of insurance has been going on since roughly the Civil War. Some of it is about bringing products to market too slowly. They’ve got to go through the 50-state system, and the fact that we don’t deal with agents in a holistic way, and that the system is clunky, are all true. But this crisis wasn’t about that. It was Exhibit A for how well the regulatory system for insurance performed – AIG’s failures were not on the insurance side; they were on the investment banking side. No other insurance company has had any serious problems. In fact, you could argue that of the three legs of the financial services stool, the insurance leg was the only one that didn’t break. Investment banking got crushed, and about 125 commercial banks have been seized. People should understand that the capital behind insurance survived pretty well. The regulatory framework and the licensing process are very different questions.

**JB** Treasury Secretary Tim Geithner recently referred to the fact that insurance is a central feature of the whole safety net for companies, whether it’s auto, commercial, or health insurance. I think that’s true but, if so, don’t we need someone in Washington who has actually done the difficult regulation of insurers and can stand on a comparable footing with the banking and securities regulators?

**On AIG, Risk, and Centralized Oversight**

**ED** AIG was unique. Using their financial products division, they took their AA or AAA rating and sold it as a form of pseudo-insurance to outsiders. By doing that, they evaded the requirement to set up a separate insurance company, a monoline like MBIA or Ambac, whose sole purpose is to insure municipal debt and structured debt products [and guarantee the timely repayment of bond principal and interest when an issuer defaults, and provide services to only one industry]. You don’t want the contagion infecting a property/casualty company’s balance sheet. The predecessors in my agency and the New York State legislature were smart in not allowing that to be a localized, separate activity, so that if it did implode, you weren’t taking out the other healthy, insurance parts of a company. AIG evaded that by
Stern: raise $8 billion in a year, was grossly inadequate – AIG inadequate to deal with the troubles. Certainly the estimate of a very large failing insurance entity and a source of bail-

JB: M&A, or to keep the rating up. I still say, overall, the insur-

ED: The National Association of Insurance Commissioners (NAIC) has some issues. But it is a fairly robust umbrella organization and it could theoretically become like a Self-

ED: Don't forget, the state guarantee system is also used as a resolution authority, like the FDIC, and it does an ade-

ED: We should just stop and ask why the insurance industry and state regulators are more into consumer protection. So why

JB: This is a classic issue and an example of why you need bet-

ED: Don't be confused. The Hartford on the imprudence of believ-

JB: At least we should look at an FDIC type of structure.

JB: On being too big to fail

ED: One thing we have to decide as a country is, are we going to go back and fix that, or are we just going to let people continue to do derivatives business, not as a hedge, but as a primary replication of an obli-

ED: If you had a life insurance company with $200 billion in assets that failed to meet its commitments, the damage to the country would be extraordinary. It's on another level. Life insurance companies in the US have one common problem, which is that in a time that unit was producing huge profits. Buying

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ED: After the crisis, the state regulators thought that the

ED: On Credit Default Swaps and Regulation

ED: On Being Too Big to Fail

ED: I talk about standing on top of AIG and looking down. My view is we need somebody who does that all across our financial landscape.

"I talk about standing on top of AIG and looking down. My view is we need somebody who does that all across our financial landscape." -Eric Dinallo

"On Credit Default Swaps and Regulation"

"On Being Too Big to Fail"

"If you had a life insurance company with $200 billion in assets that failed to meet its commitments, the damage to the country would be extraordinary." -John Biggs
“Around 2002, all our competitors were separating their consulting business from the rest of their firm. ... We decided that rather than segment our firm, we would segment our client base. ... It has given us tremendous market presence and breadth of competencies.”

Barry Salzberg is CEO of Deloitte LLP, the US member firm of Deloitte Touche Tohmatsu. Deloitte LLP is a nearly $11 billion firm serving more than 80 percent of the world’s largest companies with audit, consulting, financial advisory, risk management, and tax services. It was ranked the #1 Best Place to Launch a Career in BusinessWeek in 2009.

A Brooklyn native, Salzberg started his career at Deloitte in 1977. He became a partner in 1985 and in 2009 assumed full leadership of the Deloitte Tax LLP practice, which, during his three-year tenure, increased its market share from fourth place to first. Salzberg was appointed CEO of Deloitte LLP in June 2007. He received an undergraduate degree in accounting from Brooklyn College, a JD from Brooklyn Law School, and an LL.M in taxation from the New York University School of Law.

Barry Salzberg was interviewed on October 12 by Nanette Byrnes, a senior writer for BusinessWeek, specializing in corporate finance and management, and also contributes to businessweek.com’s “Management IQ” blog. Her work has appeared in Smart Money and Financial World and on National Public Radio.

Nanette Byrnes: You did your grad- uate law degree at NYU while you were simultaneously working full time for Deloitte. Did you enjoy your educational background, and your connection to NYU?
Barry Salzberg: In 1977 I went to Haskins & Sells, a predecessor to Deloitte, and I started in the tax practice immediately even though I really didn’t have any tax background. In 1978, knowing that law was really what I wanted to do, I was accepted into get my master of law and tax. I earned my degree while working full-time at H&S, which subsequently became DH&S. Early in my career I worked back and forth between audit and tax so I could get the experience necessary to become a CPA in New York in addition to being a lawyer. I was combining the accounting degree, the law degree, and the LL/M just to practice tax in the professional services profession.

NB: Were there formative experiences early on in your career that gave you the idea that perhaps someday you could be breaking up this firm?
BS: Maybe even well into being a partner, as CEO of DH&S, Barry was the fattest thing from my mind. I was most interested in serving clients, developing my technical skills, and enjoying the day-to-day practice of tax. It took many years working within the firm, understanding what I could constitute, and being received well by the partnership for what I contributed before even having an idea that perhaps I could become CEO.

NB: Was there a mentoring relationship that was important to your development?
BS: Fortunately, I was able to have one or two mentors. One in particular figured out that I needed to broaden my experience base within Deloitte in order to create a credible resume for future leadership positions. He mentored me a lit- tle bit of deployment for me to move from one part of the organization to another, all to allow me to gain experi- ence, exposure, and breadth of com- petency so that I’d be well positioned to assume a leadership position. He was instrumental in giving me the confidence and the desire to say, “You know what? I think I could do it. How do you convince everyone that you are a leader?”
NB: How would you advise people who are still building their careers to seek out mentors?
BS: Number one, it can’t be a forced fit. There has to be a rapport, a rela- tionship that is built up through inter- action. Often both parties benefit. We’ve rolled it out across the entire organization and even advised clients on it. MCC really deals with the heart of retention. We will have a problem have in sensing clients is pretty good. The issue is more in pricing, given the envi- ronment and the difficulty our clients are experiencing, but we see sufficiently good signs of stabil- ity. I feel that my advice will be misin- terpreted or construed as robust, which we don’t see occurring quite yet. We are forecasting high single- digit growth two years out. In this year and next, we’re not likely to see that across our entire business. We’re not likely to see single-digit growth.

NB: Did you experience a significant slowdown, how have you managed the talent?
BS: Securitization pretty much dried up, to most of our securitization peo- ple were redeployed to our capital mar- kets consulting group and retained. M&A slowed down, and a number of our M&A individuals were redeployed to restructuring, which picked up. International tax became a very hot area for us, so we redeployed other tax professionals to take advantage of that. We did align a head count to match the reduced demand, but our strategy is to have the best people for the right job, to make sure that all the people that work with us today remain gainfully engaged and motivated.

NB: How do you decide which financial services firms have been improved by the process?
BS: Absolutely. The number of restaur- ant that occurred pre-Sarbanes- Oxley and PCAOB formation versus today is dramatically down.

NB: Do your customers ask for that?
BS: Some. A number of clients like under multiple systems. There is a lack of comparability between financial statements of companies within the same industry sector based on where they’re located in the world. But get- ting to a global standard is costly and time consuming, and a number of folks don’t want it. But I suspect we will get there.

NB: Part of the fallout of Sarbanes- Oxley was the creation of the PCAOB. What is your view of what’s to come with an independ- end regulator for the first time in the profession’s history?
BS: We believe it’s a good thing for the profession and the capital mar- kets. We basically support being regu- lated in that regard. But it’s intense – a daily challenge.

NB: Do you think that financial state- ments have improved by the process?
BS: Definitely. Our consulting experience, a good measurement for us of a recog- nizing economy, is better than a year ago and even a year before that. We’re also seeing increased spending by clients. The utiliza- tion of people have in sensing clients is pretty good. The issue is more in pricing, given the envi- ronment and the difficulty our clients are experiencing, but we see sufficiently good signs of stabil- ity. I feel that my advice will be misin- terpreted or construed as robust, which we don’t see occurring quite yet. We are forecasting high single- digit growth two years out. In this year and next, we’re not likely to see that across our entire business.

NB: Do you feel the securitization market is going to grow?
BS: The supply side is an issue as we forecast a few years. We’re con- cerned there won’t be enough grad- uates who are going to respond to that demand. Our strategy is to have the best people for the right job, to make sure that all the people that work with us today remain gainfully engaged and motivated.

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A. Michael Spence, Nobel Economist, to Join NYU Stern

Nobel Laureate A. Michael Spence will join the faculty of NYU Stern as the Alan Greenspan Professor of Economics in September. Spence is a senior fellow at the Hoover Institution and the Philip H. Knight Professor Emeritus of Management in the Graduate School of Business at Stanford University. “Mike, through his broad portfolio of activities, all performed at the highest level, and fundamentally propelled by deep academic expertise, embodies the kind of integrative thinking that NYU Stern continues to bring to bear on the complex problems of business in the 21st century,” said Dean Peter Henry.

Spence, whose research focuses on economic policy in emerging markets, the economics of information, and the impact of leadership on economic growth, is chairing the independent Commission on Growth and Development, a global policy group focused on strategies for producing rapid and sustainable economic growth and reducing poverty. He also serves as a consultant to PIMCO, as a senior adviser at Oak Hill Investment Management, and as a member of the board of the Stanford Management Company as well as a number of public and private companies.

Spence was awarded the Nobel Memorial Prize in Economic Sciences in 2001 and the John Bates Clark Medal from the American Economics Association in 1981. He is also a Rhodes Scholar and the recipient of many honors and awards. Spence was an early member of the NYU Stern Citi Leadership and Ethics Program, managed by the School’s Markets, Ethics and Law Program, was co-created to explore the ethical and legal challenges of the financial services sector. Annually, the program honors the top 10 graduates from the Citi Foundation program, the program appointed Mary Ellen Marking as Distinguished Fellow.

Gluckman Institute for Research Awards Research Prizes to Stern Faculty

When NYU Stern’s Gluckman Institute for Research in Securities Markets awarded its annual prizes for excellence in financial research, a host of scholars were honored. The Gluckman Institute established in 2009, awards grants to researchers whose work has financial applications.

Research Roundup

Anindya Ghose, assistant professor of information, operations, and management sciences, and a team of four professors from NYU Poly were awarded a $2.124 million, three-year grant from the National Science Foundation (NSF) to support an interdisciplinary program, “ASPIRE: An SFS Program for Interdisciplinary Research and Education.” The NSF-wide collaborative program focuses on identifying and providing practical, cost-effective solutions to security and privacy problems on the Internet and other critical information infrastructure from technical, ethical, policy, and business perspectives.

In addition, Ghose and Arun Sundararajan, associate professor of information, operations, and management sciences and NEC Faculty Fellow, were both granted Google & WPP Marketing Science Initiative Awards. As part of these prestigious awards, they will receive $75,000 and $65,000, respectively, to support their latest research.

Citi Leadership and Ethics Program Selects Women’s World Banking CEO Iskenderian as Distinguished Fellow

Tackling the world’s most intractable social problems considering the financial system in the type of study NYU Stern’s Citi Leadership and Ethics Program, managed by the School’s Markets, Ethics and Law Program, was co-created to explore the ethical and legal challenges of the financial services sector. Annually, the program honors the top 10 graduates from the Citi Foundation program, the program appointed Mary Ellen Marking as Distinguished Fellow.

short takes

Dolly Chugh, assistant professor of management and organizational behavior, announced as a Finalist of the 2005 Faculty Pioneer Awards by The Center for Business Education at the Aspen Institute for its annual recognition program honors business school instructors who have demonstrated leadership in integrating ethical, environmental, and social issues into the MBA curriculum.

Kenneth Langan Professor of Finance Roy Smith published a new book, Paper Fortunes: Modern Wall Street, When It Becomes a Graveyard (St. Martin’s Press, January 2010), that offers investors and average readers alike a better understanding of how the financial industry has grown and developed since the 1930s and what the future holds for Wall Street. A former partner at Goldman Sachs for more than 30 years, Smith has provided an insider’s look at the people who have shaped the US market economy for the last 60 years, from the Goldmans, Saches, and Lehman’s through Richard Fuld, Jamie Panxon, and Tim Geithner.

Lawrence White, Arthur E. Imperatore Professor of Economics, testified late last summer in both the US Senate Committee of Representatives, and the House Committee on Oversight and Government Reform, he testified about the risk of credit rating agency’s role in spreading financial crisis, their danger to investors, and whether the agencies should be regulated. He also testified before the House Committee on Financial Services regarding the Community Reinvestment Act, describing the act’s shortcomings and outlining a more effective way to achieve its goals.


In August, Clinical Professor of Economics and Director of the Center for Japan-US Business and Economic Studies Edwin Lincoln was part of a group briefing Ambassador-designate to Japan, John Roos, Lincoln provided background on Japan’s economic situation and the economic structures that the Ambassador designate would likely face as the government regime changed in Japan.
In just one short decade, the Internet has caused major disruptions in a number of industries and continues to transform our lives in radical ways. If our age is all about communication, the Internet is both its 24/7, omni-directional switchboard and collective memory bank, where individuals can “talk” to friends and giant corporate entities, review products and services, complain, offer praise, or get virtually any question answered at any time. The Internet is a powerful new platform on which thousands of new businesses are being enabled, and ordinary people are becoming empowered in unprecedented ways.

Methodologies from academic research are beginning to emerge that demonstrate how to think about the enabling potential of the Internet from a business perspective. The four provocative papers excerpted here – written by information systems faculty in NYU Stern’s information, operations, and management sciences department – demonstrate several of these new ways of utilizing the wealth of information provided by the Internet. Assessing how companies and consumers communicate with each other and, in the case of consumers, with one another, is one aspect; how to make sense of market forces in the online space is another. As much as businesses will be interested in this research, its implications, in some instances, reach beyond the commercial realm. Understanding how people form networks, influence each other, disseminate news and information, handle finances, and make purchases is also invaluable to governments, social service agencies, the military, and intelligence agencies, to name a few.
Apple Computer made advertising history in 1984 with its bold, televised Super Bowl commercial showing an unnamed heroine smashing a giant screen, the symbol of an Orwellian “Big Brother” authority figure. Tomorrow’s brush newcomer might decide to get its brand message out in a more targeted, cost-effective—and measurable—fashion: by flooding networks of like-minded Web users with branded display advertising. The technology exists to accomplish this targeting strategy while still safeguarding consumer privacy, according to new research by NYU Stern Professor Foster Provost and his co-authors Brian Dalessandro, Rod Hook, Xiaohan Zhang, and Alan Murray. “Online brand advertising has a huge opportunity for growth,” says Provost.

The research, published as “Audience Selection for Online Brand Advertising: Privacy-Friendly Social Network Targeting,” is one of the first papers on data mining for online brand advertising, according to the authors. It shows unambiguously that advertisers can extract anonymous information about consumers’ Web-browsing habits, and from that information build a group that is likely to be interested in and motivated by specific brand advertising—without compromising these individuals’ privacy.

The paper makes several important contributions. It provides a framework for evaluating whether audiences would be viable target groups for brand advertising; introduces methods for identifying these audiences without collecting any personalized information about them; shows that people who exhibit certain online interests in common also share an affinity for the same brands; and provides evidence that these target audiences often turn out to contain true social networks, where the members actually know one another, at least online—which, taking into account the existing body of knowledge about consumer behavior, would likely explain their sharing an interest in the same brands. “The notion of targeting social network neighbors resonates with brand advertisers because they believe that the personal networks of those sharing exhibit an affinity and should be good targets for brand advertising,” says Provost.

Like-Minded Consumers

To conduct their research, the authors used data on visits to social networking sites. A basic tenet they relied on to identify subsets of users was the notion of homophily—that social relationships tend to be made between people with similar characteristics—which can be leveraged to improve targeted direct marketing. Using this theory, they evaluated brand-affinity data for more than a dozen well-known national and international brands. Using cookies that advertisers collect to chart the visits of people browsing pages of “user-generated micro-content,” such as Facebook, non-professional blogs, and the like, the researchers were able to identify what they called quasi-social networks. Within those networks they tested two sets of brands: one advertised and one not, and observed the resulting action taken by the audiences within the identified networks. The results showed that the quasi-social networks exhibited markedly higher brand affinity.

Both advertisers and consumers would benefit from better designed online brand advertising, the authors argue. Spending advertising dollars on display ads with the aim of getting people to click through to a purchase, for instance, may not be especially efficient, because consumers aren’t looking at display ads with an immediate transaction in mind; the display format is better suited for brand advertising. The authors also cite studies that chart a clear correlation between consumers’ viewing of online brand advertising and an increase in both their subsequent online and offline purchases, well into the future. One of the practical implications of this paper: If advertisers can use anonymous Web data to identify the right target audiences, they will get the kind of measurable return on their investment they seek. In addition, says Provost, designing better display ads and selecting more appropriate audiences “may have a substantial impact on social welfare. The access to a large amount of free content online is due largely to (the hope for) sponsorship by display advertising.”

With the extensive, apparently constant mining of data that has been made possible by the Internet, the Big Brother image that was so presciently borrowed a quarter of a century ago by Apple Computer seems finally to have been realized—which makes the privacy-friendly techniques described by this paper so totally compelling.

Foster Provost is professor of information systems and Daniel P. Paduano Faculty Fellow (Emeritus) at NYU Stern, and NEC Faculty Fellow. Brian Dalessandro (MBA ’09) is director of data mining and statistical analysis at Mediant. Rod Hook is chief technology officer at Mediant. Xiaohan Zhang is a PhD candidate at NYU Stern. Alan Murray is a partner at Coriolis Ventures. This research project won the 2009 INFORMS (Institute for Operations Research and the Management Sciences) Design Science Award, which is given to promote and recognize research efforts centered on the design and realization of innovative information technology artifacts.

DOUBLE CLICK TO FIND YOUR AUDIENCE
ADVERTISERS CAN MINE ANONYMOUS INTERNET DATA TO IDENTIFY AUDIENCES FOR TARGETED BRAND ADVERTISING

READIMG BETWEEN THE LINES

Customer reviews of Internet sellers reveal a wealth of information that can improve the online retail experience on both sides of the transaction.

Online consumers use it good: a seemingly infinite array of choices and helpful user reviews that rate not just the products themselves but the reliability of the seller. Yet the advantages of the electronic marketplace aren’t all to the buyer. Abundant, real-time customer feedback helps businesses refine their products and services. More than that, according to a new paper by three NYU Stern professors, a sophisticated analysis of consumer reviews can help sellers adjust their prices and boost revenue.

Anindya Ghose, Panagiotis G. Ipeirotis, and Arun Sundararajan, of Stern’s department of information, operations, and management sciences, analyzed how different aspects of a seller’s reputation affect pricing power in “The Dimensions of Reputation in Electronic Markets.” The motivation for this study, the authors write in their paper, is that when buyers purchase products in an electronic market, they assess and pay not only for the product they wish to purchase but for a set of characteristics—like packaging, timeliness of delivery, the extent to which the products meet the actual specifications they have described that they would like to receive.
Putting Theory into Practice

The implication of the authors’ work is that it is possible with their insights to enhance both buyer trust and seller efficiency in an online environment. Practically speaking, to accomplish this, they describe how to construct analytic tools for both buyers and sellers. The buyer’s tool would enable buyers to employ drop-down menus to efficiently search the electronic marketplace for sellers that satisfy particular criteria on each fulfillment dimension. For example, a buyer shopping for an expensive digital camera would be able to select for sellers who excel on the packaging dimension, even if the seller doesn’t feature rapid shipping. A more sophisticated tool would enable users to sort sellers on more than one dimension. Such a system, write the authors, “can enhance buyers’ trust by making them aware that their feedback is important and is taken into account by other customers in a more nuanced way [and] will make reputation systems that enhance trust a more prominent part of the current electronic marketplace.”

The tools for sellers would enable them to assess the value of their own reputations along each dimension, potentially comparing their reputations with those of competitors. The tactical goal would be to enable sellers to price their products at a level that incorporates the value of their reputation relative to competitors. The system could also increase the seller’s confidence that she is making a sale at the right price point, without leaving money on the table. The example the authors use shows a Canon Powershot X300 sold by six online retailers at different prices, with each seller’s reputation quotient computed. It reveals that the seller in question, based on his higher reputational score, could charge an additional 5 percent. The broader strategic purpose of a marketplace system for sellers is that if they can understand the specific characteristics that customers value about them—and others—they will be able to sharpen their performance on their best dimensions and develop other areas that customers value.

The implication of the authors’ findings is that the interests and characteristics ranging applications in diverse industries such as healthcare, travel, and financial services. ANINDYA GHOSE is assistant professor of information, operations, and management sciences at NYU Stern. PANAGIOTIS G. IPEROTIS is assistant professor of information, operations, and management sciences at NYU Stern and NEC Faculty Fellow.

HEARD IT THROUGH THE GRAPEVINE?

DISCOVERING HOW INFORMATION SPREADS THROUGHOUT ONLINE NETWORKS

Ever notice that suddenly it seems as if everyone in a particular peer group has acquired a particular cool, new item? A Ping putter, an iPhone, Birkenstocks, a Prada. How is that possible? And why didn’t you get the memo? Recent research, by Sinan Aral, Ley Muchnik, and Arun Sundararajan of NYU Stern’s information, operations, and management sciences department, came to a counterintuitive conclusion: There wasn’t any memo. While it’s true that you may pick up a new golf club or a fun new smartphone because your friends are raving about them, the researchers found that the interests and characteristics you share with those friends—along with sulliances and similarities of people potentially comparing their reputations along each dimension, more than 50 percent of product adoption decisions.

This information is important most obviously for commercial reasons: How do you influence people to buy your product? As much as these insights will help marketers, they will be invaluable in noncommercial applications. Whether the issue is disease, obesity, smoking, delinquency, or poverty, the networks of interactions among individuals provide the primary pathways along which viral contagious spread. Aral points out, “Understanding the mechanisms that drive contagions in networks, this problem the authors faced was how to distinguish between product adoption decisions made as a direct result of peer influence—i.e., friends telling friends to sign up for the service—versus such decisions being indicative of homophily—the demographic, technological, behavioral, and biological similarities of people on the network. Homophily would imply that like-minded people gravitated toward the same product.

The solution was to establish a methodology that controlled for peer influence and random “contouring factors.” The results showed that previous investigations overestimated peer influence by 300 percent to 700 percent and that, more than 50 percent of the time, homophily is the reason people chose to sign up for the Go service. “These findings demonstrate that homophily can account for a great deal of what appears at first to be a contagious process.”

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WORD GAMES

COMPANIES THAT SPONSOR ONLINE SEARCHES CAN FIND GUIDANCE ON PRICING AND MARKET BEHAVIOR IN THE FINANCIAL MARKETPLACE

If you were a huge online supplier of tennis gear, would you buy futures on a search engine so that your ad would pop up first when tennis fans search “US Open” in September 2010? In theory, that kind of futures market could very well emerge, just as it did for commodity products of wide interest to investors. The conditions necessary for such a sponsored-search futures market would be identical to those in financial markets: liquidity, and trust that market makers would indeed deliver on their obligations. And if the counterparty in such a transaction is highly trustworthy, an insurance market could also emerge, allowing institutions to “sell insurance” to advertisers, guaranteeing them future prices for keywords and allowing for the same type of hedging made possible by futures and options markets. Stern professors Vasant Dhar and Anindya Ghose described this not-so-far-fetched scenario in their recent paper, “Sponsored Search and Market Efficiency.” The paper argues that sponsored search markets are akin to financial markets in their early days, where new information made its way into prices relatively slowly and parties with early access to information enjoyed significant advantages. Dhar and Ghose argue that the same is currently true for sponsored search markets in that keywords are often mispriced relative to their true market value.

The Holy Grail of online sponsored searches is determining which keywords will attract consumers. As the Internet continues to evolve into a major venue for commerce, the science of the sponsored search — the mechanism whereby advertisers pay a fee to Internet search engines to be displayed alongside organic (non-sponsored) Web search results — continues to evolve. Dhar and Ghose realized that the sponsored search marketplace could be compared to the financial marketplace and predicted that the former can be expected to evolve in similar ways — with practical implications for advertisers. “Our central thesis is that the increasing availability of information through IT-enabled platforms that promote user-generated content will make sponsored search markets more efficient in the same way that greater access to information through IT made financial markets more efficient over time,” the professors state in their paper.

The authors point out that financial exchanges and sponsored search markets share several common characteristics. Both are auctions with similar business models. Both require membership, through which an exchange can control what is classified as the ability of members to make good on their obligations in a transaction. A central objective of financial exchanges is to provide deep liquidity, typically measured in terms of volume transacted. Indeed, their profitability is driven by volume since they earn commissions based not only on the number and size of transactions but on the price per transaction as well. Like financial exchanges, sponsored search markets currently provide the search engines with bid/ask prices that are often imprecise relative to their true market values.

The increasing availability of information through IT-enabled platforms that promote user-generated content will make sponsored search markets more efficient in the same way that greater access to information through IT made financial markets more efficient over time.

The two types of marketplaces aren’t fully alike, however. Whereas shares on a financial exchange are commodities, in that different units are the same and therefore of equal value, the value of a given keyword can be expected to vary from one advertiser to the next. Also, in sponsored search markets, the seller bids for rank, not price. How much a keyword is worth depends on its position in the list of search results. The higher up the keyword is on the list, the more valuable it generally is.

The authors argue that because bid/ask spreads in the sponsored search market are relatively small and priced according to the ranking criteria, the sponsored search market is akin to a continuous auction market, much like financial markets. But, whereas bid/ask spreads in financial markets are often displayed to the public, bid/ask spreads in the sponsored search market are not. Dhar and Ghose predict that for this reason, the sponsored search market will evolve the same way: Bid/ask spreads in the sponsored search market will be bid/ask spreads in financial markets, where sellers are bidding for “space” on the channel.

The professors write. Because of this, the Internet will continue to expand as a marketing channel where advertisers can be confident of displaying their offerings only when they are most likely to match user intent and lead to desired outcomes. Because behavior can be tracked, it makes measurable the impact of an advertising campaign or strategy. This fact has transformed sponsored search into a continuous auction market, much like financial markets, where sellers are bidding for “space” on the channel. Drawing a parallel between financial and sponsored search markets, accounting for any differences, the authors show that financial markets provide a stable and well-understood set of concepts useful in the analysis of sponsored search markets.

Vasant Dhar is professor and head of the information systems group, Daniel P. Podobnik Faculty Fellow, and director of the Center for Digital Economy Research ( CeDER) at NYU Stern. Anindya Ghose is assistant professor of information, operations, and management sciences at NYU Stern.
The Future of Luxury  
By Rika Nazem

To stay ahead of the curve, successful companies have to innovate – think Apple or BMW. With this in mind, Stern’s MBA Luxury and Retail Club (LuxRet), in partnership with Clinical Professor of Marketing Scott Galloway, co-hosted “Innovation Forum 2009,” an unprecedented event featuring 17 thought leaders from industry and academia who addressed the challenges facing luxury brands today. The forum attracted students, alumni, industry insiders, and press.

Some of the biggest names in the luxury and retail industries – including Group President of Estée Lauder John Denscy (MBA ’82), Bart Sayer from the consumer media and digital group at Booz & Co., and The New York Times perfume critic Chandler Burr – offered varied presentations on topics such as celebrity marketing, opportunities in the luxury market, and “The Scent of Innovation,” respectively.

Shahm Shah (’MA ’10), LuxRet co-president, explained how partnering with Galloway was crucial because of his industry contacts and his desire to expose Stern students to industry executives. The professor had recently launched his Digital IQ study, which ranks 109 brands in 11 categories on the effectiveness of their digital competence. Said Shah, “Our goal in holding the event was to educate students on the fast-changing luxury goods industry by hearing a broad, diverse set of perspectives, and to provide networking opportunities with these professionals. Students were able to interact with executives from a number of luxury retailers including Chanel, Christian Dior, and Tiffany. Professor Galloway is so well known in the industry and was a huge factor in helping us bring it all together.”

Tory Diamond (MBA ’10), LuxRet co-president, echoed Shah’s excitement about the event. “I learned so much and found the talks incredibly inspiring. The best part for me was being able to meet so many leaders in the industry and develop relationships with the speakers during the planning leading up to the event.”

Both women credit the Stern community and the School’s commitment to luxury and retail marketing as their reasons for choosing Stern. Shah said: “I knew that the supportive environment here was one where I could thrive and best reach my potential. I also knew that I wanted to stay in the fashion industry, and it was important to me to join an MBA program that supported that goal. I saw that the club was highly interested in helping students develop foundation leadership skills while acclimating to college life and New York City. Hands-on experiences such as improvisation and personal integrity workshops are typical activities. The video project is our latest initiative to leverage our students’ creativity, help them learn to manage group dynamics, and bring to life their vision of leadership through action and film,” said Susan Greinbaum, associate dean of Stern’s Undergraduate College. “It encourages group problem-solving and at the same time helps bring the community together in a shared experience.”

Each of the 120 student teams was provided with a Flip mini camcorder. For editing, the teams collaborat-ed with undergraduate film students from NYU Tisch School of the Arts. Upon completion, students voted on the best videos, which were presented to the entire Stern freshman class at the Skateball Center in November. The winning video is posted on the College’s YouTube page at www.youtube.com/sternuc. “Once my group sat down and started brainstorming, it turned into a great creative outlet for me,” said Stern freshman Michael Cafarelli. “We were able to blend a mix of our different interests that, in our particular case, ranged from Miley Cyrus to The Economist.”

Many students said they viewed the meaning of leadership differently as a result of working on the video project. “The collaboration was difficult at first,” said Sean Monga, whose team’s video was voted best of the freshman class. “But, we learned that leadership isn’t all about directing, managing, and controlling.” “It was definitely an experience,” said Leslie Fan, who was also part of the winning team. “We all have pretty different strengths, so coming together as a group allowed us to create something together that none of us could have done individually. Staring up at 500 or so people from the stage in Skirball isn’t a bad feeling either.” Next stop: Tribeca Film Festival!”

NYU Stern LuxRet Co-presidents Shimul Shah (left) and Tory Diamond (right) with former LuxRet Co-presi-dent Daria Burke (MBA ’10); (below) Professor Scott Galloway speaks at the Innovation Forum 2009.
On December 5, 2009, more than 500 alumni and guests celebrated the holiday season and reconnected with each other and the School during a festive evening in NYU Stern’s renovated Concourse space.
Julie Lucas Joins NYU Stern to Lead Development and Alumni Relations

Julie Lucas, a seasoned developer and alumni relations professional, joined the School as Associate Dean for Development and Alumni Relations on March 16, 2010. In her role, she oversees the School’s efforts to increase philanthropic giving to the School and to build and strengthen the global alumni network – 20,000 strong in over 100 countries worldwide.

Lucas came to NYU Stern from Fordham Law School, where she served as Assistant Vice President of External Affairs and Assistant Dean of Institutional Advancement. In this position she was responsible for development, alumni relations, and communications. During her five years at Fordham, Lucas oversaw a nearly 500 percent growth in annual donations to the School, launched and led a $100 million capital campaign that reached 90 percent of its goal in just 14 months, and substantially increased the number of people giving at the $100,000 level, as well as legacy gifts and student giving. As a result of her leadership, scholarships increased nearly four-fold, and the school added eight new faculty chairs and five academic centers.

“Through her innovative and energetic leadership, Julie will propel the School to new levels of alumni engagement and support,” said Dean Peter Henry.

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“Julie Lucas joins NYU Stern to lead development and alumni relations,” said Dean Peter Henry. “In this highly competitive marketplace, your network is more important than ever. From job opportunities to potential clients or business partners, it’s all about who you know. Now is the time to join more than 11,000 fellow alumni on Stern’s official LinkedIn group. Alumni across all degree programs, affiliations, and industries have signed up to share their connections and network with you, so don’t miss out on this exclusive opportunity.”

In an effort to be more environmentally friendly and locally responsible, many of the School’s communications continue to be sent exclusively via e-mail. Don’t miss out on important information from your alma mater. Update your contact information by calling (212) 998-4040, visiting the website at www.stern.nyu.edu/alumni, or sending an e-mail to alumni@stern.nyu.edu.

Stay tuned for NYU Stern Connect, your enhanced and exclusive online alumni community, coming soon!

Mentoring Takes a Front Seat

The strength of a community can be measured by the willingness of its members to support one another and to give to those in need. In today’s economy, the strength of the Stern alumni network can be a life-changing force in a student’s academic career. To help nurture this connection, the NYU Stern Alumni Council established the Stern Alumnae Support Stern’s Renovation.

Stern Alumnae Support Stern’s Renovation

Over the past year, the Stern Women in Business (SWIB) Alumnae group – a committee that promotes the personal and professional development of Stern’s female students and alumni – dedicated its time and outreach to support one of the School’s most important fundraising initiatives, the Concourse Project. Since early 2009, alumnae around the world have pledged a combined gift of $100,000 over the next three years to Stern’s most transformative facilities renovation since 1986.

“We felt it was important to be a part of this milestone in our alma mater’s history,” said Christine Schneider ( MBA ’94). Chair of SWIB Alumnae, “Stern’s students need a space that is representative of the School’s academic standards.”

Their gift will help to support the education of women in the business industry through state-of-the-art technology and newly created classrooms designed to foster collaborative learning. The renovation, which encourages research, community building, and networking, is drastically changing the experience of students and alumni. As recognition for their outstanding support of Stern’s future, SWIB Alumnae will have a community lounge space dedicated in their name.

“When our group’s name is on the wall, current female students will know that they can tap into a huge network of successful alumnae,” said Schneider.

While the Concourse levels are now open, the fundraising campaign continues. There’s still time to be a part of this milestone in NYU Stern’s history – donors who are able to make a pledge of at least $5,000 over a three-year period will have their name listed on a recognition wall in a prominent Concourse community space. These donor walls will be a lasting legacy of camaraderie to all those who pass by, reminding future generations of the strength of the alumni community during this major transformation.

If you would like to learn more information about the Concourse Project, have your name listed on the donor wall, or become involved with SWIB Alumnae’s campaign, please visit www.stern.nyu.edu/build-concourse or call (212) 998-4040.

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The strength of a community can be measured by the willingness of its members to support one another and to give to those in need. In today’s economy, the strength of the Stern alumni network can be a life-changing force in a student’s academic career. To help nurture this connection, the NYU Stern Alumni Council established the Stern Alumnae Support Stern’s Renovation.

Over the past year, the Stern Women in Business (SWIB) Alumnae group – a committee that promotes the personal and professional development of Stern’s female students and alumni – dedicated its time and outreach to support one of the School’s most important fundraising initiatives, the Concourse Project. Since early 2009, alumnae around the world have pledged a combined gift of $100,000 over the next three years to Stern’s most transformative facilities renovation since 1986.

“We felt it was important to be a part of this milestone in our alma mater’s history,” said Christine Schneider ( MBA ’94). Chair of SWIB Alumnae, “Stern’s students need a space that is representative of the School’s academic standards.”

Their gift will help to support the education of women in the business industry through state-of-the-art technology and newly created classrooms designed to foster collaborative learning. The renovation, which encourages research, community building, and networking, is drastically changing the experience of students and alumni. As recognition for their outstanding support of Stern’s future, SWIB Alumnae will have a community lounge space dedicated in their name.

“When our group’s name is on the wall, current female students will know that they can tap into a huge network of successful alumnae,” said Schneider.

While the Concourse levels are now open, the fundraising campaign continues. There’s still time to be a part of this milestone in NYU Stern’s history – donors who are able to make a pledge of at least $5,000 over a three-year period will have their name listed on a recognition wall in a prominent Concourse community space. These donor walls will be a lasting legacy of camaraderie to all those who pass by, reminding future generations of the strength of the alumni community during this major transformation.

If you would like to learn more information about the Concourse Project, have your name listed on the donor wall, or become involved with SWIB Alumnae’s campaign, please visit www.stern.nyu.edu/build-concourse or call (212) 998-4040.
1940s
Murray Nichter (BS ’40), of Painesville, NY, ’retired Partner of Spicer & Oppenheim, CPAs, welcomed great-grandchild Gabriel Nichter on October 20, 2009.

1950s
William Heath (BS ’50), of Silver Spring, MD, has authored a book titled, Some Kind of Pearl: Learning While Teaching in Taiwan and Hong Kong 2003-2008, a memoir of his time teaching in Asia.

1960s
Harvey Goelitz (BS ’61), of St. Paul, MN, is Chairman of Alltel, which was Chairman and CEO of American Express from 1984 to 1991.
Joseph Tovey (MBA ’61), of Brooklyn, NY, has been named chief consulting officer and CIO of Glen Rock Petroleum Corporation. Previously, Tovey was CEO of Tovey & Company, LLC, an investment banking firm specializing in energy.

Neil McCormack (MBA ’63), of Orangeburg, CA, has been named Director of Westchester County Executive Rob Astorino’s communications team. He is currently an endowed chair at Bank of America Merrill Lynch.
Lawrence Zimmerman (BS ’65) of Shortwood, CT, has been named Executive Vice President of Strategic Placing at Amtrains Capital Corporation. Singer is Managing Director of FairWell Advisors, a financial services firm that he founded in 2001.

1970s
Jack Hoytt (BS ’72), of Ridgewood, NJ, has been named Executive Vice President of Strategic Planning at Mckinley Asset Management. Previously, Hoytt spent 29 years at Gilman Sachs, & Co.’s private wealth management division.
Donald Kurz (BS ’72), of Bryn Mawr, PA, received a united heroism Service 25th Awards Alumni of the Ocean Star Send on November 13, 2009, Kurz is President and CEO of Keystone Shipping Co.

Jacob Worenklein (BS ’73), of New York, NY, has been named President of Ekco Industries previously served as President and CEO of U.S. Power Generating Company.
Shinshin K. Bajaj (MBA ’74), of Mumbai, India, has served a Managing Director of Kotak Mahindra Bank, a Mumbai-based global financial organization. Bajaj is the Chairman and Managing Director of Bajaj Hindustan Ltd., India’s largest sugar and ethanol manufacturing company.

Met Wilzig (MBA ’75), of New York, NY, has been named Executive Director of Project Enterprise. Previously, Washington held executive level positions in finance, operations, and strategy and planning for organizations including AT&T, Salmonson Brothers, Morgan Stanley, JPMorgan Chase & Co., Embark, Human Rights First, and most recently EastWest Institute.

Jeri Yamak (MBA ’75), of Lawrence, NY, has been named Chief Administrative Officer of Cedar Shopping Centers, Inc. Previously, Yamak was the President of Financial Operations at Kingsbrook Corporation.

Ameen Huj (MBA ’77), of Timor-Leste, has been appointed as Head of the UN Integrated Mission in Timor-Leste. Has most recently served as UN Secretary-General Kim Jong-un’s Special Representative for Sudan and Afghanistan. Previously, she served as Deputy Assistant Administrator and Deputy Director of the UN Development Program (UNDP) Bureau for Crisis Prevention and Recovery, Associate Director of the UN Development Group office, and UN Resident Coordinator and UNDP Resident Representative in both Malaysia and Laos.

Reginald Jones (MBA ’78), of Silver Spring, MD, has joined the US Government Accountability Office as Managing Director of its Office of Opportunity and Inclusiveness. Since 2008, Jones has headed his own law and consulting practice.

Jeremy A. Specter (MBA ’78), of Princeton, NJ, has been named a member of the Fellows of the American Bar Foundation (ABF). The Fellows of the ABF is an honorary organization of attorneys, judges, and law professors whose profession, public, and private careers have demonstrated outstanding dedication to the welfare of their communities and to the highest principles of the legal professions.

Joseph Fitzgerald (MBA ’77), of New York, NY, has been named Director of Directors of Long Wheel International, Inc. Kramer is CEO of Griffin Corporation.

Yoko Otani (MBA ’79), of New York, NY, has been named Special Advisor to Prime Minister Shinzo Abe. Previously, Otani was Managing Director at Citigroup’s Global Corporate and Investment Bank.

Stefano Rusu (MBA ’80), of London, UK, has been appointed an independent member of Karo’s Board of Directors. Rusu is a member of the NYSE’s Executive Board and has worked for Renaissance Institutional Management UK as CEO and head of its US and Europe, Middle East, and Asia Pacific regions since 2006.

Louis Weilman (BA ’81), of Boca Raton, FL, has received the World of Distinction Award from the International Alliance for Women. Weilman is President and CEO of pro-metro Atlanta-based Sanders Financial Management.

Edward Min (MBA ’82), of Sydney, Australia, has been named CEO of Eldorado Gold. Min was previously CFO of Sino Gold Mining Limited.

Jeffrey Brody (MBA ’83), of East Middletown, NY, received the Greater New York Chapter of the Institute of Property Management’s Centennial Property Manager of the Year award. He is President of Related Management, Executive Vice President of Related Affiliates, a member of the Residential Committee of the Real Estate Board of New York, and the recipient of its 2006 George M. Brooker Management Executive of the Year award.

Thomas P. Burke (BS ’82, MBA ’83), of Sacramento, CA, has joined Schnitzer Steel Corporation as Senior Vice President of Operations. He was previously Executive Vice President of Operations at BKI Corp, an e-commerce division of Barnes & Noble, Inc.

Eileen Decker (BS ’82, JD ’85), of Los Angeles, CA, has been named Deputy Mayor for Homeland Security and Public Safety of Los Angeles. Previously, Decker served as the Head of National Security in the US Attorney’s Office for the Central District of California.

John Kruglinski (MBA ’85), of Morristown, NJ, has been named Assistant Professor of Accounting at Binghamton University.

Carol LaPantha (BS ’86), of Denver, CO, has been named Senior Vice President, Human Resources, at W.R. Berkley Corporation. LaPantha has served as Senior Vice President, General Counsel, and Secretary of Berkeley Insurance Company.

Steven J. Morris (MBA ’82), of San Diego, CA, has been named CEO of the United Jewish Federation of San Diego County.

The Energy to Succeed
When Scott DeGhetto decided that he wanted to go back to school and earn his MBA, he searched for a program that would allow him to fully immerse himself in the curriculum. “I was working as an engi- neer for PSE&G Co. in New Jersey,” he said. “I was looking to learn more about the finance I was starting to gain exposure to and to move forward in my career.” DeGhetto, who was able to continue full-time MBA program at NYU Stern.

Once here, he was able to attend classes taught by industry leaders with fellow students who were passionate about the business school experience. “I chose to go to Stern because of its strong finance curriculum, its location in the center of the business community, and its incredible alumni network,” explained DeGhetto. “I came from an engineering background and wanted to learn as much as I could while I was here.” Now, as the Managing Director and Co-head of Power & Renewables in the Americas at Credit Suisse, he leads a team of 50 investment banking professionals, one of the largest such groups in that sector in the US.

DeGhetto was recruited to his current position in October 2005 from JPMorgan Chase, where he was Managing Director in the Power and Pipeline group. He has also held positions at UBS, Bear Stearns, and Citigroup. “I attribute my current position to my very first internship,” he said. “I would never have received that internship in 1991 without the Stern alumni network — I went through the alumni directory name by name for contact. The market was in a slump.”

Now, DeGhetto is responsible for providing a full array of investment banking services to traditional gas and electricity clients, as well as to the renewable energy sector, including wind and solar companies. “We provide a range of services, from raising capital to providing advice on capital structure, dividend policy, and M&A,” he said.

When DeGhetto is away from work, he makes a point of taking family vacations with his wife of 16 years and son, daughter, and 13, and enjoys playing racing cars, playing tennis, and attending sporting events. He has also had the fortune to travel extensively — to England, Germany, France, Spain, Italy, Turkey, Argentina, Brazil, Australia, New Zealand, Indonesia, China, and Thailand. “I’ve even been to 49 of the 50 states,” he said. “Now, at the age of 47, he is teaching himself to play the guitar. His philosophy? ‘You don’t stop learning the day you stop living.’”
Maiz Nozoe never dreamed she would be the Creative Services Director at Michael Kors. Inc. before she turned 30. “I just knew that I wanted to work on the business side of a creative industry,” she said. When she enrolled in the undergraduate program, Nozoe decided to focus on international business and “all business degree is pragmatic for all career paths,” she added. “It’s not just for those who have a desire to work in finance.”

While still a student, Nozoe kicked off her career in advertising through internships in various roles. At Nars Cosmetics and then worked in the retail branch of Coach on 57th Street in New York City. Nozoe also spent time working at companies such as NARS Cosmetics and the global advertising agency Foutre Cone & Belding, now DRAFT.BER. “It opened up a lot of doors for me,” she said. “It’s the type of school where you can sit next to the future head of marketing at a company like Prada.”

Nozoe’s experience as a retail salesperson shaped her interest in branding. “I was able to interact with consumers and see firsthand how the shopper responded to the marketing messages being created,” she said. Given Stern’s access to leading industries in New York City, she felt that she was offered a seamless transition into her career. “Students at Stern are able to work in fashion and other non-conventional careers,” Nozoe said. “They can pursue a non-traditional business role and be confident that they will be successful.”

In her current position, Nozoe is responsible for all in-house creative advertising and media, to invitations to charity and retail store events. She explained that at Michael Kors the branding for Michael Kors, ranging from print magazines, billboards, and other outdoor advertising, is observed. Before graduation, “I had no personal ties to the industry but I just knew that I was going to be successful,” she said. “It’s the type of school where you can sit next to the future head of marketing at a company like Prada.”

Finding a profession that suits one’s talents and interests is a very personal quest, she said. In her current position, Nozoe is responsible for all in-house creative advertising and media, to invitations to charity and retail store events. She explained that at Michael Kors the overall brand strategy is to use advertising imagery to convey a jet-set lifestyle. Over the next three years, the company will strengthen its position throughout Europe, the Middle East, and Asia. “It’s an exciting time, and I’m looking forward to the opportunities and challenges that we will face as we introduce our brand to international markets.” Nozoe said.

Lea C. Lloyd (MBA ’91), of Denver, MD, has been named President of Crump Group, Inc’s programs unit within the company’s property & casualty division. Lloyd comes to Crump from United Educators Insurance, where he held senior leadership roles over the past 10 years, most recently serving as Vice President of Underwriting and Chief Actuary.

David Goodall (MBA ’92), of Shaker Heights, OH, has been named Executive Vice President of Commercial Banking with FirstMerit Corporation. He joined FirstMerit in April 2010 as Executive Vice President of Specialty Lending, and became Acting Loan Officer for Commercial Banking in September. Prior to joining FirstMerit, Goodall was President and CEO of National City Business Credit, Inc.

Suzanna Sullivan Keith (MBA ’92), of Rey City Council. In addition, he is the owner of a non-profit and business development services as well as arts and culture programs. In addition, he is the owner of a non-profit and business development services as well as arts and culture programs.

David C. Kahn (MBA ’93), of Pacific Palisades, CA, has joined Convergent Health Advisors as Director in the firm’s Los Angeles office. Kahn joins Convergent from Wilmington Trust and now holds the position of Co-chair. Previously, Kahn was Senior Accountant at Ernst & Whinney.

Eamon Tobrisky (BS ’09) of Garden City, NY, has been named Director of Emerging Markets Sales for Knight Libertas. Previously, Tobrisky worked at RES in emerging markets sales.

William Bilga (BS ’09), of storms, has been elected to the Board of Directors of the University’s Alumni Association. This nonprofit organization provides support to veterans through education and mentoring services as well as arts and culture programs.

Stevan A. Mer meltdown (MBA ‘91), of knoxville, TN, has joined the healthcare team of Convington-Asxv as Managing Director. Most recently, Mer meltdown was a managing director at Enfaphx Partners, where he was responsible for corporate partnerships, IMA, and equity private placements.

Gerald V. Messina (MBA ’92), of New York, NY, has been named Executive Vice President of Commercial Banking in September. He comes to Convergent from Wilmington Trust and now holds the position of Co-chair. Previously, he was Senior Accountant at Ernst & Whinney.

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Glen Perillo (MBA ’93, MS ’93), of Fairfield, NJ, has joined Citibank as Head of Consumer Investments. Perillo served as Head of Montage Research and now holds the position of Co-chi. This nonprofit organization provides support to veterans through education and mentoring services as well as arts and culture programs.

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Sally Rowley-Williams has a personality that makes building relationships and networking appear effortless. “My whole career has been shaped around motivating people,” she said, “either to reach for what they want or to manage others to provide the best level of service that they can.”

In 2009, Rowley-Williams left behind a distinguished career in the financial services industries of both New York and London to focus on her entrepreneurial idea—career counseling. “I loved working for large organizations,” she explained, “but I wanted to focus on my own interests: providing talent management to companies and also helping people find employment.” Now, as founder and CEO of Career Doctor, based in London, she builds leadership teams in companies through executive search and talent management, and she helps individuals develop their own careers through assessments and strategic planning. She has also served as Non-Executive Director of Greenspan Realty Corp. since 2005.

After graduating from NYU Stern in 1984, Rowley-Williams held positions at many well-known firms, including Chemical Bank and First Chicago—both ultimately acquired by what is now JP Morgan Chase. In 1987, she transitioned to Citigroup, where she served as Vice President, Head of Debt Capital Markets Originations for French and British financial institutions, and Global Relationship Manager. In 1994, she joined Korn/Ferry International, the world’s second-largest executive search firm, as Senior Client Partner Co-head of the Executive Search practice, and then went on to lead the firm’s New York office.

“I stayed with Korn/Ferry for 13 years until I was managing Director at Barclays Capital. I was managing Director at Barclays Capital for 13 years until I was recruited by my client, Arbutnath Latham, to work for them in 2007,” she said. At Arbutnath Latham, Rowley-Williams was given the opportunity to create and lead a private client team that focused on one of her biggest interests, horseracing. “As head of the horseracing team, I was able to introduce private clients from the horseracing community to the bank through a sport with which I was actively and passionately involved, beginning in 2004 when I joined the Board of the Racehorse Owners Association,” she stated.

While she no longer works directly with Arbutnath Latham, Rowley-Williams remains active in the racing community as Non-Executive Director and Executive Committee Member of the Racehorse Owners Association. Trustee of the Poney Club, and as founder and Chair of the Women in Racing network. “Horse racing has the second-largest economic impact of any sport on the UK’s economy after soccer,” she explained. “When I moved to the UK, I became interested in the sport and its importance in the economy, and I knew that I had to be a part of it.”

Rowley-Williams attributes much of her success to her education. “I’m happy that I chose the [Langone] Part-time MBA program at Stern because the finance program was incompatible and taught by ironclad instructors from both Wall Street and academia,” she said. The sine qua non, she added, is the ability to network with peers in the business community. “The relationships that you build with the people around you make the biggest impact.”
Norman Himelberg never had to catch the entrepreneurial bug. He came by it naturally, watching his parents run a women’s specialty and clothing store, Campo Sport Company, located in Manhattan and the Bronx for nearly 20 years. “My father never wanted to work for someone else,” said Himelberg. “He always had a great business sense about him.” Business school was an obvious next step. “I wanted to get my degree and work in real estate,” he said.

After graduating from NYU Stern in 1953, Himelberg got his feet wet at the Wall Street brokerage firm Hornblower & Weeks, a company that then maintained eight offices throughout the US, and at Al Stamm & Co., working three years in their accounting division. He then transitioned to real estate, accepting a position at Belky & Co. as a commercial leasing broker in Manhattan. In his nearly two years there, his passion for the real estate market grew, and in November of 1963, he purchased his first brownstone in New York. “I renovated the entire building, and rather than selling it, I used it as a rental property,” he said. Following the renovation, Himelberg purchased two additional brownstones, which he also kept as rental properties. “I mostly rented to recently relocated business professionals,” he recalled.

In 2000, Himelberg shifted his career again, this time to the financial services industry, specifically the stock market. He formed Himor Group, a private investment firm. “I wanted to have more of a role in managing my personal finances,” he said. Through Himor Group, Himelberg began to purchase stocks in consumer product companies such as Kraft and Kellogg’s, and used his connections within the Stern alumni network to enhance his business. “Stern was great because it not only allowed me to learn from faculty stars like [former Dean and Professor] Abe Gitlow, Frank Angell, and Jules Backman, but also connected me with a large network,” he explained.

As a successful entrepreneur, Himelberg devotes a large amount of his time supporting the next generation of his alma mater’s entrepreneurs. He has founded both the Himelberg Lecture Series and the Entrepreneur-in-Residence program at Stern’s Berkley Center for Entrepreneurship and Innovation, established in 1987 to develop and foster entrepreneurship in the business and social sectors. “Owning a small business is like being an artist,” he shared. “The business teaches you more about yourself the more you create. If you’re smart, you’ll observe the small changes and nuances around you.” It is in his hope that through the two initiatives he founded, future business leaders will gain real-world experience and examine their future goals during their time at Stern. “The entrepreneurial mentality is different,” he observed, “and those who possess it need to know that it’s okay to take risks—the rewards of owning your own small business are great.”

Today, Himelberg continues to manage one rental property at another firm he founded, Resel Management LLC, and remains active managing his own portfolio. He has two children: Rachael Sara Brooks, a marine biologist in Easton, Maryland, and Robert Samuel, a software programmer in Los Angeles, California.

Adi Blum (MBA ’06) of New York, NY, has been promoted to Vice President of High Road Capital Partners. Previously, Blum was employed by Citigroup Global Markets.

Ely Kushel (BS ’50, MBA ’51) Beloved NYU Stern Professor

If you would like to make a gift in memory of “Dr. Ely” to the Ely Kushel Fund, please contact the Office of Alumni Relations & Development at (212) 998-4161.
Most schools and universities nurture legends of intellectual giants who once strode their corridors like colossi, holding packed lecture halls in thrall. NYU Stern is no exception. Of the 20th century thinkers who established the School’s reputation as a serious institution, Marcus Nadler (LAW ’26), a leading financial economist, was by all accounts one of the greatest.

His life story shows the grit, determination, and street smarts of many immigrants to this country. According to a reminiscence written by Nadler’s son, the late Paul Nadler (himself a business school professor), Nadler, born in 1895, was “a typical boy from the rural mountains of the Austro-Hungarian Empire.” Exceptionally bright, however, he won a scholarship to the University of Vienna, one of the small quota of Jews allowed to attend. While still in college, he joined the Austrian army as an officer in World War I. He was captured by the Russians and sent to a Siberian prisoner of war camp where, according to family lore, he learned English.

When Russia quit the war in 1917, Nadler determined that as a Jew he would be better off in America. He went east to Manchuria and at war’s end made his way to America. While employed at the New York Post Office, he attended Columbia University, then went to a Siberian prisoner of war camp where, according to family lore, he learned English.

When Russia quit the war in 1917, Nadler determined that as a Jew he would be better off in America. He went east to Manchuria and at war’s end made his way to America. While employed at the New York Post Office, he attended Columbia University, then worked at a bank, and later went to Washington to work for the Fed, with an interruption to study law at NYU.

Around 1927, Nadler began what was to be a fruitful, 38-year association with NYU’s Graduate School of Business Administration (GBA), as Stern was then known. NYU was starting an institute to determine the worth of defaulted foreign bonds owed to the US after WWI. In Nadler, it found a director who knew Europe and finance and could develop statistics and studies for bond holders. The School soon realized Nadler would also be a valuable addition to the faculty. According to Paul Nadler, “His English was uncertain, but the man who hired him, Dean John T. Madden... saw the best in people. Despite my father’s protestations that his English was poor, the Dean said, ‘You can teach.’”

As it turns out, Nadler was an exceptional teacher, despite his heavy accent. According to Marcus Nadler Professor of Finance and Economics Emeritus Robert Kavesh (BS ’49), who was hired as Nadler’s eventual replacement, Nadler’s evening lectures on money markets drew packed audiences to the School’s Trinity Place campus: “Thousands of students over the years flocked to his classes after their workday on Wall Street, and Marcus would hold forth. He spoke deliberately, and you felt the words were coming from the brow of Zeus.” His influence was considerable. When in the ’30s there was talk of closing GBA, Nadler almost singlehandedly fought to maintain the School, and he prevailed, Kavesh said. While Nadler remained a respected consultant to the federal government and wrote newsletters for Manufacturers Hanover Bank, he still kept his office door open to students. Generations profited from his guidance, among them Henry Kaufman (BA ’48, PhD ’58). Before taking his PhD orals, Kaufman recalled, Nadler, his thesis advisor, coached him with a bit of practical advice: “Take your time answering, because if you speak quickly, the examiners will have time for more questions.” Nadler’s interest in his students extended to their careers. Said Kaufman: “He was instrumental in my getting to the Federal Reserve of New York from commercial banking, and he gave me good advice for going into private banking: You will quickly learn if you can sink or swim, and if you go to Salomon Brothers you can hear the cash register ring every minute.”

As with other great minds, there developed, in the mid-1960s, a circle of Nadler disciples who called themselves the Money Marketeers. Although Nadler, a heavy smoker, died in 1965 of lung cancer, the group still meets regularly with a full roster of members, though those who actually sat at the master’s feet are diminishing in number. The Money Marketeers club attracts distinguished speakers at its meetings and annually presents small monetary awards to outstanding graduating MBA students and a $5,000 scholarship to a promising current MBA student.

For its part, the School has memorialized Nadler in the eponymous financial economics professorship, currently held by William Silber, as well as a named doctoral fellowship. Nadler’s son wrote this more homely tribute: “My father used to tell me that the two traits he had that helped him most in his career were a gypsy fortune teller’s insight and an ability to sleep with his eyes open in meetings. But I feel it went a lot further. It was his humanity in addition to his knowledge that stamped his life.”

MARILYN HARRIS is editor of STERNbusiness.

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