PROFESSOR SCOTT STERN WINS FIRST KAUFFMAN MEDAL

The Ewing Marion Kauffman Foundation has awarded its first Ewing Marion Kauffman Prize Medal for Distinguished Research in Entrepreneurship to Scott Stern, a Northwestern University professor and researcher. The Medal was presented to Professor Stern on Jan. 8, 2005 at the American Economic Association annual meeting in Philadelphia.

In commemoration of the life and work of its founder, Ewing Marion Kauffman, the Kauffman Foundation established the Kauffman Prize Medal to recognize and promote outstanding research in entrepreneurship. The Medal, which includes a $50,000 prize, is awarded every two years to one scholar under age 40 whose research has made a significant contribution to entrepreneurship.

“Entrepreneurship is central to the American economy, fueling innovation, productivity and growth,” said Carl J. Schramm, president and CEO of the Kauffman Foundation. “Yet, relative to the important role it plays, the entrepreneurial process is not well understood. The Kauffman Prize Medal underscores the importance of the scholarly study of entrepreneurship and aims to inspire promising young scholars to contribute new insight to the field.”

CONTINUED ON PAGE 11…

DRANOVE, SATTERTHWAITE WIN NATIONAL AND KELLOGG’S TOP RESEARCH AWARDS

David Dranove, PhD, the Walter J. McNerney Distinguished Professor of Health Industry Management and Professor of Management and Strategy and Mark Satterthwaite, PhD, the A.C. Buehler Professor of Health Industry Management and Professor of Management and Strategy, who was recently elected a member of the American Academy of Arts and Sciences, received this year’s Stanley Reiter Award from the Kellogg faculty, for the article “Is More Information Better?: The Effects of Report Cards on Healthcare Providers” in the Journal of Political Economy. This paper was co-authored with Stanford’s…

CONTINUED ON PAGE 6…

**Newsletter Contents**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott Stern Wins First Kauffman Medal</td>
<td>1, 11</td>
</tr>
<tr>
<td>Dranove, Satterthwaite Win Research Awards</td>
<td>1, 6</td>
</tr>
<tr>
<td>Canadian Healthcare System,</td>
<td>2</td>
</tr>
<tr>
<td>Alumni/Student Mixer, Scholarships</td>
<td>3, 4, 5</td>
</tr>
<tr>
<td>Walter McNerney’s Death</td>
<td>7</td>
</tr>
<tr>
<td>HIV/AIDS in China, India Conference</td>
<td>8–11</td>
</tr>
<tr>
<td>Maradei, Top Student Award</td>
<td>12</td>
</tr>
<tr>
<td>Kellogg Takes Genzyme Case Prize</td>
<td>12</td>
</tr>
<tr>
<td>Biotech 2005</td>
<td>13–15</td>
</tr>
<tr>
<td>Board of Health Study</td>
<td>17</td>
</tr>
<tr>
<td>ADA Diversity Program</td>
<td>18</td>
</tr>
<tr>
<td>Biotech Students Attend European Conference</td>
<td>19</td>
</tr>
<tr>
<td>E &amp; Y Healthcare Forum</td>
<td>20</td>
</tr>
<tr>
<td>Alumni News</td>
<td>23–24</td>
</tr>
<tr>
<td>Andrew Youn’s South Africa Internship</td>
<td>26–27</td>
</tr>
<tr>
<td>Dranove’s New Strategy Book</td>
<td>25</td>
</tr>
</tbody>
</table>

**Fall 2005**

**THE NEWSLETTER OF THE HEALTH INDUSTRY MANAGEMENT/BIOTECHNOLOGY ALUMNI ASSOCIATION • KELLOGG SCHOOL OF MANAGEMENT • NORTHWESTERN UNIVERSITY**
Northwestern Memorial Hospital’s Conference Center was the home, on Friday, January 28th, for a symposium on the above topic sponsored by the Canadian Consulate General in Chicago.

The five principles of the Canada Health Act are the cornerstone of the Canadian health care system and have iconic status for Canadians. The legislation affirms the Canadian government’s commitment to a universal, accessible comprehensive, portable and publicly administered health insurance system. The Canada Health Act aims to ensure that all residents of Canada have access to necessary hospital and physician services.

While many people in the US are familiar with the Canadian system, how the arrangement actually operates is unknown. This educational symposium provided participants with information on the history, organization, and financing of health care in Canada. It explained the five principles of the Canada Health Act, outline the provincial governments’ role in delivering health care and discussed health care practices, management and programs. Experts provided answers on both the basics and nuances of the system.

Anne Charles, the Consul General in Chicago, opened the program. First speaker: Kellogg’s Joel Shalowitz, MD, MBA, who spoke on “The History of Canadian Healthcare.” Fresh from his Fulbright in Toronto, Joel gave an overview of how the Canadian System evolved and how it works, as compared to the U.S. system. The second speaker, Claudia Fegan, MD, President of Physicians for a National Health Program, spoke about universal access to healthcare, and how such a system might work in the U.S. Dr. James Calvin, the director of cardiology, Rush University Medical Center, presented the perspective of a provider working within the Canadian system to deliver care, and how it contrasts with the delivery of medicine in the States.
Before the keynote address, Prof. Robert McMurphy, of the University of Western Ontario and a member of the Health Council of Canada, addressed “Facing the Future,” identifying issues which the Canadian system needs to address.

The keynote address was given by the Honorable Dr. Carolyn Bennett, PC, MP, Minister of the State, Public Health, Canada. Prior to being elected to public office, Dr. Bennett was a family physician in Toronto, a founding partner of Bedford Medical Associates in downtown Toronto, and an Assistant Professor in the Department of Family and Community Medicine at the University of Toronto. Leading the fight to save Toronto’s Women’s College Hospital inspired her to run for public office.

She was first elected in 1997 and was re-elected in 2000. She was appointed Minister of State, Public Health, by Prime Minister Paul Martin in December 2003. A gifted communicator, she is passionate about Canada and about engaging citizens in its democracy. She is a champion for health care, the environment, women in politics and persons with disabilities. Dr. Bennett is also the co-author of Kill or Cure? How Canadians Can Remake Their Health Care System.

Mr. Joseph Papa ’83, chairman and CEO of Cardinal Health’s pharmaceutical technologies and services business unit, spoke at a Feb. 23rd Kellogg student/alumni event. The event was hosted by the Kellogg Healthcare and Biotechnology Club and took place at the James L. Allen Center on the Evanston campus. 80–100 people attended the event.

During his address, Papa noted current and likely trends in the pharmaceutical industry. He stated that both brand-name and generic drugs play important roles in the sector, adding that the latter represent about $20 billion in sales today. He expects this figure to top $30 billion by 2008, or about 10% of the branded market.

Some experts in the pharmaceutical industry optimistically predict there will be at least “10 prescriptions for every person in America by 2008,” said Papa.

He also pointed out that “branded pharmaceuticals are the future pipeline for the generic manufacturers” and said that global competition from Asia will pose

Continued on page 4...
significant challenges for the generic industry, since the costs of active drug ingredients is much less in Asia than in the West.

Mr. Papa was recently named Chairman and CEO of Cardinal Health’s Pharmaceutical Technologies and Services Business Unit, a $2.8 billion operation providing drug development, formulation, sterile manufacturing, packaging and marketing services to pharmaceutical and biotech companies worldwide. Prior to this, Papa served as President and COO of Watson Pharmaceuticals Inc., a leading generic pharmaceutical manufacturer. Before joining Watson in November 2001, Papa was President and COO for DuPont Pharmaceuticals; President of global country operations-North America for Pharmacia Corp., and President of U.S. operations at Searle Pharmaceuticals.

This event again marked the venue at which the HIM/B Alumni board presented two $2,500 scholarships to two graduating Kellogg students who have demonstrated academic achievement, healthcare leadership and service to the field, and financial indebtedness.

David Church ’99, an alumni board member who is the liaison to the school and students, led an effort to identify a handful of eligible students qualified for the awards; this eventual half-dozen were reviewed by the Alumni Board and two were selected as award-winners.

Continued on page 5…
They are Edna Lazar and Christopher Pfaff.

Edna Lazar graduated from Hebrew University in Israel with a bachelor of Laws degree in laws and business administration; this followed her three years in the Israel Defense Force’s Medical Corps where she oversaw the medics’ course at the Military School of Medicine. After her law degree she worked for 3 years at the third largest law firm in Israel, Yigal, Arnon and Co.

Christopher Pfaff has a BSc degree in Mechanical Engineering and a MSc in Technology Management, both from the University of California at Berkeley. After school he worked for Guidant Vascular Intervention, then for management consulting firm Prophet, Inc., based in San Francisco, CA.

Both Christopher and Edna will be joining the Johnson and Johnson family of companies in the Bay Area following graduation from Kellogg.
Daniel Kessler and Mark McClellan, now the federal Administrator who oversees Medicare and Medicaid. The Stanley Reiter Best Paper Award is given each year to the article judged to be “best” from among those published by Kellogg faculty in the preceding four calendar years. The Selection Committee accepts nominations from the Kellogg faculty and makes a single selection based on the article’s creativity, craftsmanship and impact on its field. This article also recently won the 10th Annual Research Award from the National Institute for Healthcare Management Foundation.

The author(s) selected were announced at the annual Oh-Be-Joyful dinner at the end of the School year and received a plaque recognizing this accomplishment. In the subsequent academic year, the winner(s) will present the research as part of a special lecture series to the Kellogg community. To be eligible, the article should have been published in a refereed journal. Articles co-authored with faculty from other institutions may be nominated. The committee also considered nominations of research monographs.

Stanley Reiter for whom the award is named is the Charles E. Morrison Professor of Economics, Mathematics and Managerial Economics and Decision Sciences and the Director of the Center for Mathematical Studies in Economics and Management Science at the Kellogg School of Management. He received his Ph.D. in Economics from the University of Chicago in 1955 and joined the Kellogg faculty in 1967. Professor Reiter has published four books and dozens of research papers in his career. In 2001, the Kellogg School instituted the Stanley Reiter Best Paper Award to recognize Professor Reiter and the research accomplishments of the School’s faculty.

Professor Dranove also has received additional recognition recently:

The Searle Fund has given Professor Dranove and Joel Shalowitz, MD, a grant for $92,000 for a research project entitled “Has the Malpractice ‘Crisis’ Affected Access to Medical Care,” to study how hospitals have responded to the malpractice crisis. Dranove and Shalowitz are especially interested in learning whether hospitals have limited access to patients with high risk conditions in the neurosurgery and obstetrics specialties.

Additionally, one of Professor Dranove’s mentees, an undergraduate economics major, Joel Hatton has received the Robert Eisner Prize awarded to the economics undergraduate with the best senior honors thesis. His thesis studied the relationship between tobacco taxes and teenage marijuana consumption and found some evidence that higher taxes have led teens to substitute away from cigarettes and towards pot.
We received notice that Walter J. McNerney, Herman Smith Professor of Health Policy (Emeritus) at Kellogg died on July 29, 2005. Walt taught the “Advanced Health Policy” course at Kellogg for many years and mentored numerous students. He came to Kellogg in 1982 and was made emeritus professor in 1999. Walt’s family and friends established the Walter J. McNerney Professorship in Health Industry Management at Kellogg upon his retirement, a chair currently held by healthcare economist David Dranove.

Prior to coming to Northwestern, from 1961 to 1978 Mr. McNerney served as President of the Blue Cross Association and from 1978 through 1981 served as President of the Blue Cross and Blue Shield Associations. These organizations included 105 plans geographically dispersed throughout the country covering over 120 million persons and distributing annually benefits amounting to approximately $55 billion through private and public programs.

Prior to 1961, Mr. McNerney was in hospital and medical center administration and served on the faculties of the Graduate School of Public Health, University of Pittsburgh and founded the health administration program at the Graduate School of Management, University of Michigan.


His committee and commission appointments included: Chairman, Committee on Assessing Health Care Reform, Institute of Medicine, (National Academy of Sciences); Advisory Panel on Assessment of Medical Technology, Office of Technology Assessment (U.S. Congress); Chairman, Board on Health Care Services, Chairman, Board on Special Initiatives, Institute of Medicine (National Academy of Sciences); Commission on Future Structure of Veteran’s Health Care, Secretary, (Dept. of Veterans Affairs); Physician Payment Review Commission (U.S. Congress); Advisory Council Vice Chairman, Agency for Health Care Policy and Research (Dept. of Health and Human Services); Chairman Board of Trustees, Medical Outcomes Trust; Visiting Committee, Association of Academic Health Centers; Visiting Committee, University Health Services; Board of Overseers of Harvard College; Advisory Council to the Dean, Yale School of Medicine; Advisory Committee, Medical Center, University of Michigan.

He published three books, two monographs, several chapters and over 75 articles.

Awards received include: Award of Merit, Forum for Healthcare Planning; Award of Honor and Justin Ford Kimball Award, American Hospital Association; Yale Medal; Outstanding Achievement Award, University of Minnesota; Special Award for Meritorious Service, AMA; Silver Medal Award, American College of Healthcare Executives; Secretary’s Unit Citation, HEW; and Doctor of Humane Letters, Rush University. He is also in Modern Healthcare’s Healthcare Hall of Fame.

Mr. McNerney received a bachelor’s degree from Yale University and a master’s degree from the University of Minnesota. He is survived by his wife Shirley, and is the loving father of W. James McNerney, Jr.; Peter; Jennifer Horskotte; the Reverend Daniel; and Richard H. as well as 22 loving grandchildren.
As Kellogg increases its commitment to a more global approach to business issues, and as Northwestern University’s International Program Development Office sought to expand its series of conferences on international topics of interest, it seemed natural that the forces should combine, and that’s why NU’s Devora Grynspan came knocking on Joel Shalowitz’s door when a global healthcare topic was to be considered.

To date, the human toll of the HIV/AIDS pandemic has been concentrated in Sub-Saharan Africa, home to roughly 70 percent of infected persons worldwide. World health expects, however, warn that conditions are ripe for HIV/AIDS to explode across India and China. With over five million cases, India is second only to South Africa in the number of people infected with the HIV virus. Recent estimates indicate that China is not far behind, where the prevalence of HIV/AIDS is estimated to increase by 20 to 30 percent annually.

India and China account for roughly 40 percent of the world’s population, and both countries are critical engines of global economic growth. If left unchecked, HIV/AIDS will not only have a devastating human toll in these countries, but will also have significant social, political, and economic consequences for the international community.

As is the Kellogg approach, students were involved in planning the conference, with Todd Robin selected to major-domo the effort. After numerous planning meetings, four distinguished speakers were selected for the April 2nd program, held at the Tribune Auditorium of the James L. Allen Center. Approximately 150 people – students, faculty (university-wide), healthcare policy experts and other local interested parties – attended.

The opening speaker was Devora Grynspan, PhD, the head of Northwestern University’s Office of International Program Development, who welcomed the assembled audience on behalf of the university. She also reviewed the genesis of the program for the audience before introducing Joel Shalowitz, MD, who introduced the first speaker who gave an overview of the HIV/AIDS problems in Africa as well as India and China.

Dr. Nelle Temple Brown is External Relations Officer of the World Health Organization in Washington, D.C. She represents in Washington the Geneva-based headquarters of WHO and the five WHO regional offices serving Africa, Asia, Europe, and the Eastern Mediterranean. Dr. Brown has taught at the University of Maine, served as Special Assistant to Mrs. Katherine Graham of The Washington Post, for Chancellor Willy Brandt’s International Commission on International Development Issues in 1978-1980, was Assistant Representative of The Asia Foundation in Thailand 1983-85, worked as a staff member of the U.S. House of Representatives from 1984-1994, and has served as a consultant to a number of U.S. and U.N. agencies, businesses, and non-governmental organizations.

Following some Q and A with Dr. Brown, NU Anthropology Professor Kensley Stewart, PhD, introduced her former colleague, Wan Yan Hai, MD, a physician in China.

Dr. Wan Yan Hai is Director of the Aizhixin Institute of Health Education and Founder of the AIZHI (AIDS) Actions Project, one of China’s more prominent AIDS organizations. His reporting for the project uncovered an AIDS epidemic in Henan Province, where large numbers of peasants were infected with the virus after selling their blood at government supported clinics. Dr. Wan is a prominent AIDS educator and staunch defender of human rights for people living with HIV/AIDS in China. In 1992, Dr. Wan helped create China’s first telephone hotline providing information on
The International Healthcare Symposium’s Speakers, Organizers and Special Guests gather at its conclusion. Left to right: Harvard’s Dr. Ajay Mahal, Dr. Wan Yanhai, symposium organizer-in-chief Todd Robins, KSM ’05, John and Isobel Soans, HIM Program Director Joel Shalowitz, NU’s Devora Grynspan, WHO’s Dr. Nelle Temple Brown, Dr. Konglai Zhang (MacEachern lecturer) and Dr. Kearsley Stewart, NU Department of Anthropology.

The 29th Malcolm MacEachern Lectures, Konglai Zhang, MD, Peking Union Medical College, and Dr. MacEachern’s daughter, Mrs. Isobel Soans.

Dr. Nelle Temple Brown, the WHO’s Chief Liaison in Washington, DC, gave a Global Overview of the HIV/AIDS Epidemic in Asia.
Dr. Wan Yanhai, Director of the Beijing Aizibing (AIDS) Institute of Health Education was the second speaker at the symposium. He is a prominent AIDS activist in China.

Dr. Wan Yan Hai discussed the work of his organizations and the difficulties of working in independent (non-government) public health organization, and the confrontations with the bureaucracy they have overcome.

The focus then turned to India, and issues confronting AIDS workers in that country, as studied by a Harvard-trained PhD health economist.

Dr. Ajay Mahal is Assistant Professor of International Health Economics in the Department of Population and International Health at Harvard School of Public Health. He has written extensively on the economic and human development consequences of the AIDS epidemic and on the use of policy interventions to address it. In 2002, he worked with the United Nations Development Program in New Delhi on a study of the policy responses to the AIDS epidemic in South Asia and lessons for the design of optimal strategies to address HIV in South Asia. He has also served as a consultant to two major non-governmental organizations in India that have been

HIV/AIDS CONTINUED

HIV/AIDS. Dr. Wan has spoken internationally on HIV/AIDS and human rights and has worked tirelessly to secure the rights of individuals infected with HIV/AIDS in China.

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Continued on page 11...
involved with HIV prevention and treatment activities. At the present, he is principal investigator on a team of Harvard and Nigeria-based researchers to measure the economic effects of AIDS in Nigeria.

The final speaker of the program presented the Malcolm T. MacEachern Symposium Address. It was decided that since the MacEachern Symposium was to be moved to the Fall of ’05, that the International Symposium would be a fitting backdrop for the MacEachern Lecture since Dr. Mac spent a good portion of his career traveling abroad in his efforts to promote high standards for hospital and patient care.

This year’s Lecture was give by one of the leading figures in HIV/AIDS research and care in China. The difference between the two physicians from China who were speakers on the program are that Dr. Wan Yan Hai (the earlier speaker) works with an NGO to prod the government to act or it takes on projects itself, whereas Dr. Konglai Zhang (the MacEachern Lecturer) tends to work within the government framework to get measures accomplished, although he too is a director of an important AIDS NGO. In China, Dr. Zhang is affectionately known as “Dr. Condom” for his many years of promoting safe sex among sex workers and others.

Dr. Konglai Zhang is Professor of Epidemiology at Peking Union Medical College. He is Director of China AIDS Network, an NGO that emphasizes research and intervention on social and behavioral aspects of HIV/AIDS prevention and control, as well as on policy development. Dr. Zhang holds leadership positions in a variety of organizations, including the National Expert Consultation Committee on AIDS Prevention and Control, the Chinese Association for STD/AIDS Prevention and Control, and the Beijing Association for STD/AIDS Prevention and Control. His current research interests include the social and behavioral aspects of HIV/ADS prevention and control, epidemiological studies of Hepatitis B, and health systems research on maternal and child health care in rural China.

Following the Q and A, the audience was invited to an Allen Center luncheon with the presenters.

Stern is a professor of Management and Strategy and of Health Industry Management and of Biotechnology at the Kellogg School of Management. Professor Stern received the Kauffman Prize Medal for his enterprising research into the idea marketplace, which will permit the development of new market approaches that enable entrepreneurs to better produce and sell their intellectual property.

“My research concentrates on how technology entrepreneurs confront the challenges associated with turning an ‘idea’ into a competitive advantage. Technology entrepreneurship thrives when start-up innovators are able to simultaneously protect their ideas and create a foundation for future innovation,” said Stern. “I am deeply honored by this recognition from the Kauffman Foundation.”

The $2 billion Ewing Marion Kauffman Foundation of Kansas City works with partners to advance entrepreneurship in America and improve the educational achievement of youth. The Kauffman Foundation was established in the mid-1960s by the late entrepreneur and philanthropist Ewing Marion Kauffman. Ewing M. Kauffman founded Marion Laboratories in Kansas City, which after several mergers, became part of pharmaceutical giant Hoechst Marion Roussel, which was eventually merged into pharma powerhouse Sanofi-Aventis. Information about the Kauffman Foundation is available at www.kauffman.org.
Guilherme Maradei takes HIM Top Student Award

Brazilian student Guilherme Maradei took honors with the top GPA among Health Industry Management majors at Kellogg for the class of 2005.

Maradei is a 1998 industrial engineering graduate of the Escola Politecnica at the University of Sao Paolo in Brazil. Following his undergraduate commencement he went to work for McKinsey and Co. in Sao Paolo and then in New Jersey. In both places he worked on projects for large pharma and medical device clients. Between his two years at Kellogg he worked during the summer for Medtronic in Minneapolis.

Maradei majored in Health Industry Management, Marketing and Management and Strategy at Kellogg and earned a 3.92/4.0 GPA while here. Following graduation, he will return to McKinsey and Co. in the Florsham Park, NJ, office.

Kellogg Team Wins The 2005 Biotech Case Competition Sponsored By Genzyme

The Biotechnology conference Co-chairs organized the first annual Kellogg Biotech Case Competition on April 15, 2005. The purpose of this competition, which was sponsored by Genzyme, was to provide students with exposure to real world challenges faced by biotechnology companies in a competitive, learning environment. Five teams participated in the competition from business schools at University of Chicago, Michigan, Duke and Northwestern. Each team received the case one week prior to the competition. On the day of, they were given 10 minutes each to make their presentations followed by 10 minutes of question and answers with the judges. The judges were Scott Minick (Arch Ventures), Elliott Hillback (Genzyme), Jonathan Scholes (Genzyme), Tim Feddersen (Kellogg), and Alicia Loeffler (Kellogg).

Cash prizes of $1,500 and $750 were awarded to the first and second place teams. The first prize winners were a team from Kellogg, comprising of Anna K. McVittie, Josh Neiman, Raymond Fecteau, and Amol Mahajan. The second prize was won by the team from Michigan.
This year’s biotech conference, sponsored by the Healthcare and Biotech Club at Kellogg, was held Saturday April 16th at the Jacobs Center on the Evanston Campus. Again the conference featured topics on healthcare and biotech and their intersections within pharma, vaccines and medical devices. The program featured two plenary speakers and nine panels from which attendees could choose to attend three.

The opening keynote address was given by Mark Booth, President, Takeda Pharmaceuticals of North America (TPNA). In this role, Mr. Booth oversees all aspects of TPNA’s business. Mr. Booth has 20 years of industry experience encompassing senior leadership positions in sales, operations and product development.

Before being named President in August 2002, Mr. Booth was Executive Vice President of the company, responsible for all commercial and business operations, as well as Medical and Scientific Affairs. Prior to joining the firm in October 2001, Mr. Booth spent two years as General Manager and Senior Vice President of Commercial Operations at the Seattle-based biopharmaceutical company Immunex. There, he was responsible for sales, marketing, and project management. Mr. Booth developed, coordinated, and drove strategic execution across clinical, commercial, and manufacturing functions.

Mr. Booth’s career began at Abbott Laboratories in 1983, where he last held the title of Divisional Vice President & General Manager for the Anti-Infective/GI franchise, overseeing marketing, sales, late stage business development and Phase IV development for the franchise. Before joining the Anti-Infective/GI franchise, Mr. Booth rose through the ranks gaining experience in a variety of sales, marketing, and managed care positions.

Mr. Booth earned his bachelor’s degree in biology from Northern Illinois University, and his master’s degree in business administration from the Kellogg School of Management. Mr. Booth is an active member of the Chicago business community and serves on the Kellogg’s Biotech Advisory Board. He is also a board member of the National Pharmaceutical Council.

Following Mr. Booth’s remarks the attendees selected from three panels focusing on various aspects of the business of biotechnology or healthcare. The three topics were:

- “Managing Biospace Together: Winning Strategies for Biotech and Pharma” (Prof. Ed Zajac was the moderator)
- “Rising Healthcare Costs: The Case of Prescription Drugs” (Prof. Joel Shalowitz, MD, was the moderator), and
- “Sizing up Stem Cells: Translating Recent Research Developments into Commercial Opportunity” (Feinberg’s Prof. Richard Burt, MD, PhD, moderator)

For example, the “Rising Healthcare Costs” panel focused on the seemingly ever-increasing costs of medical care and healthcare overall and the public debate and policy proposals they generate. The debate has become especially controversial when discussing the issue of prescription drug costs. The panel investigated the reasons behind the cost increases and introduced approaches different stakeholders take to contain healthcare expenses. Close attention was paid to the local environment, and looking at successful strategies that have achieved a favorable balance between the continued delivery and the discovery of safe and effective drugs. How are shrinking budgets affecting the demand and cost of prescription drugs? What role will local/regional organizations play in improving the delivery of healthcare? How will different policy proposals affect the costs of healthcare and prescription drugs? What effect will these actions have on the discovery of promising new prescriptions drugs? All of these topics were explored by a quartet of informed panelists. They were:

Naomi Aronson, PhD, Executive Director, Blue Cross and Blue Shield Association Technology Evaluation Center
Dr. Aronson is the Executive Director of the Blue Cross and Blue Shield Association Technology Evaluation Center (TEC). She has overseen TEC’s development as a nationally recog-
nized technology assessment program and an Evidence-based Practice Center (EPC) of the Agency for Healthcare Research and Quality (AHRQ). Dr. Aronson has directed over 300 technology assessments and 6 evidence reports for AHRQ. She has published articles in *Annals of Internal Medicine, Journal of the National Cancer Institute, Cancer*, among others. Dr. Aronson was a member of Northwestern University faculty, specializing in sociology of science and medicine.

**Robert A. Freeman, PhD, Managing Partner, The Freeman Group, LLC**

Mr. Freeman’s career in the pharmaceutical industry includes founding and directing the Health Economics & Policy Analysis unit (Marketing Services) and the Pharmacoconomics & Product Support (Medical Affairs) unit at Upjohn; serving as Senior Director of Corporate Health Economics at Searle. After working as an Executive Director, Public Policy for AstraZeneca Pharmaceuticals LP, he started and now leads his own consultancy firm The Freeman Group, LLC. Mr. Freeman received his B.S. in Pharmacy, an M.S. and Ph.D. in Health Care Administration from the University of Mississippi.

**Susan M. Nedza, MD, MBA, FACEP, CMO, Centers for Medicare and Medicaid Services, Chicago**

Dr. Nedza is the Chief Medical Officer, Region V of the Centers for Medicare and Medicaid services in the Chicago office. Dr. Nedza is a graduate of the Stritch School of Medicine, and is board certified in emergency medicine. She is a graduate of the Executive Master’s Program of the Kellogg School of Management of Northwestern University. Dr. Nedza served in the role of Medical Director, Division of Emergency Medical Services, for the Illinois Department of Public Health until 2002. Dr. Nedza currently holds a faculty position on the Research Faculty, Division of Emergency Medicine at the Feinberg School of Medicine of Northwestern University.

**Scott Streator, PharmD, MBA, Director of Health Care for the Ohio Public Employees Retirement System**

Scott Streator is the Director of Health Care for the Ohio Public Employees Retirement System, the 10th largest pension fund in the U.S. where he oversees over $1B in annual expenditures on health and prescription drug benefits. Scott has applied numerous innovative clinical and business strategies resulting in sustainable prescription drug savings through unique benefit designs, market share leverage, physician and consumer programs, coverage determination and generic/brand drug optimization. Prior to joining public sector employment in 2004, Mr. Streator worked more than 15 years in health care management with major prescription drug supply chains including HMO, PBM, pharmaceutical manufacturing and traditional hospital ad retail pharmacy practices.

The late morning panels also covered a variety of topics of interest to the 175 attendees in the audience. These topics were:

- **“Made in India: The Future of Pharmaceutical and Biotechnology Outsourcing”** (Michael Eliasson, MD, PhD, a Partner with Monitor Venture Services was the Moderator)
- **“Clinical Development: Adapting to a Changing Regulation Environment”** (Jessica Hopfield, a Principal with McKinsey and Co. was Moderator) and
- **“Intellectual Property Rights: Building an Intellectual Asset Management Competency”** (with NU Law School Professor Clinton Francis as Moderator)

Following a buffet luncheon in Kafe Kellogg (the Jacobs Center atrium), the group re-assembled in the OLC Auditorium to hear a keynote address on healthcare policy issues leading to increased coverage of all U.S. citizens by health insurance. This rousing address was given by **Ezekiel J. Emanuel, MD, PhD, Chair of the Department of Clinical Bioethics, Warren G Magnuson Clinical Center of the National Institutes of Health.** Dr. Emanuel is the Chair of the Department of Clinical Bioethics at the Warren G. Magnuson Clinical Centers at the National Institutes of Health. He is also a breast oncologist. After completing Amherst College, he received his M.Sc. from Oxford University...
Opening Keynoter Mark Booth.

Professor Ed Zajac opens a session at Biotech 2005.

A Biotech 2005 panel in action.

NIH’s Ezekiel Emanuel gave a rousing keynote address at Biotech 2005.
MacEachern Lecture at ACHE Congress in Healthcare Management Luncheon Special Guests (from left to right) former ACHE President Stuart Wesbury (he was recruiting for the Public Health Service that day as well, thus the uniform), HIM Assistant Program Director James Drury, Mrs. Isobel MacEachern Soans, Program Director Joel Shalowitz, Alumni Board President Ted Pfeiffer, and Kellogg Professor Thomas Prince.

For several years the Health Industry Management Program has awarded students substantial grants. The 2005 awardees of Health Industry Management Traineeship grants are (from l. to r.): Scott Meyers, Susan Li, William Gangi, Sonya Kumar, HIM Program Director Joel Shalowitz, MD, Joseph Petty, Kathryn Stock and Hyalker Amirol. These students were also recognized during the alumni/student mixer on campus.
CHICAGO BOARD OF HEALTH SEEKS KELLOGG PLANNING ASSISTANCE

James R. Webster, MD, the Michael Gertz Professor at NU’s Feinberg School of Medicine and who serves as Chairman of the Chicago Board of Health contacted Joel Shalowitz, MD, last winter about some help with a project for the Board. Joel sought help from some student volunteers to meet with Dr. Webster and to understand the scope of what was being requested and the time commitment which would be needed to carry the project out (under Joel’s tutelage). The students worked on the project for five months (January to May). The team was composed of Shirley Aguila, Elizabeth Lee, Denis O’Connor, Seth Vilensky, Emily Wang and Andrew Youn.

A member of the team, Andrew Youn, described the project in this way: “We were asked by the Chicago Board of Health to help them develop a business plan and strategic vision for the future of the Board. Although the Board has played a prominent role in the public health of the city, it has few official powers relative to the Chicago Department of Public Health and few official resources.”

After careful analysis, interviews, discussions with experts and study, the team “recommended that the Board focus its activities in three key areas of excellence: Public representation, Partnership, and Advocacy.” These are activities that are closely in line with the Board’s unique competencies.

They also recommended that the Board initiate a regular board development process. The team believes that a focus on three core areas, and with some investment in development, the Board can achieve a more prominent and pro-active role in promoting public health in the Chicago area.

The team presented its analysis on May 18th to the Board of Health, the Commissioner of Public Health, and several Deputy Commissioners. “Our recommendations were well received. There was excitement about expanding the Board’s role in serving the Chicago community, while focusing its activities in a few core areas,” adds team member Seth Vilensky.
Increased participation in international medical missions. An educational program on the relationship between periodontal disease and osteoporosis. An outreach program designed to increase the number of Hispanic dental students. Another to help foreign-trained dentists navigate the licensure process.

These are some of the personal leadership projects selected and carried out by the eight dentists in the first ADA Institute for Diversity in Leadership – and they all highlight the extraordinary leadership roles that dentists have in improving the oral health of their communities.

“Our profession’s ideals really shine in the dentists’ leadership projects,” said ADA President Eugene Sekiguchi. “They tackle ambitious goals, and they’re already making a difference for their communities and with colleagues.”

The ADA Institute for Diversity in Leadership provides a year-long educational experience for dentists who are members of racial, ethnic and/or gender groups that have traditionally been underrepresented in leadership roles.

The Institute has been developed by Kellogg’s Professor Thomas Prince, Professor of Health Industry Management and Accounting, and the ADA’s Joe Martin, and is endorsed by the ADA board and leadership.

Class members are challenged to select projects that provide them with hands-on experience in identifying and taking action on a civic or professional issue of personal importance.

“You’ll be amazed at how many doors open for you when you start your project,” Dr. Donald Dexter Jr., a graduate of the 2003 Institute.

For Dr. Dexter, the ADA Institute for Diversity in Leadership renewed his confidence and passion for the profession. “I think in dentistry, as a profession, you get kind of beat up,” explains the general dentist from Eugene, Ore. “You work alone, without a lot of contact from your peers. The Institute really invigorated my enthusiasm for the profession.”

Dr. Dexter’s personal leadership project demonstrates the challenges Institute class members faced and how they formulated a plan of action to achieve their ultimate goal. What began as a video for Native American populations on the risks associated with periodontal disease led him to eventually re-direct his personal focus.

“I went home more often in the last year than I have in the past 20 years,” said Dr. Dexter, who hails from the former Klamath Indian Reservation in Southern Oregon. The government terminated its recognition of the Klamath as a tribe in the 1950s, and they remain a largely impoverished population. But for Dr. Dexter, termination meant self-sufficiency, which he fostered through education. “The way I looked at it, termination didn’t do something to me, it did something for me,” he said. “For my class project, I wanted to do something to direct funds to programs that I would want to support, like helping Native-American students go to college,” he added.

The result is Nu Buflo, a nonprofit coffee enterprise that directs proceeds to a Native-American college education program. Nu Buflo has distributor and marketing strategy in place, and Dr. Dexter expects it to be up and running in early 2005.

Professor Thomas Prince, Deans Robert Korajczyk and Vennie Lyons, and professors Keith Murnighan, Tim Calkins (among others) from Kellogg lead Institute classes and advise the class members on carrying out their projects.

The ADA Institute for Diversity in Leadership is made possible by the ADA Foundation through the generous contribution from Colgate-Palmolive Co., GlaxoSmithKline, Procter & Gamble and Sullivan-Schein.
BIOTECH STUDENTS ATTENDED THE PRESTIGIOUS BIOVISION CONFERENCE IN FRANCE

Three Kellogg students nominated by the Biotechnology Center were invited to attend the prestigious Biovision world life sciences conference in Lyons, France. Biotech majors Dario R. Benavides (KSM ’05), Bernardo Garcia-Manzano (KSM ’06) and Stephen Waddell (KSM ’06) spent the week of April 8-15 in Europe delving into many different aspects of life sciences.

Biovision’s goal is to build a network and further the careers of the world’s most promising talents in life sciences. The conference consisted of three workshops that required attendees to reflect upon three interdependent questions about the future and the goals of life sciences. The conference participants also attended a day dedicated to the presentations and round table discussions from 12 Nobel Laureates.

Only 100 students were selected to attend this forum, which included PhD’s, Post Docs and MBA’s from North America, Europe, Japan, China and India, among others. The selection process was conducted by top officials from several prominent institutions, including the New York Academy of Sciences, the European Molecular Biology Organization, and the American Association for Advancement of Science.

Farewell and Good Luck, Dr. Wang

Professor Joel Shalowitz (left) and Thomas Prince (right) presented a certificate to Jie Wang, MD a WHO Fellow who was attached to the Health Industry Management Program for two years while completing coursework at Kellogg.
Shortly after the 2004 national election, Kellogg’s Health Industry Management Program and Ernst and Young put on a forum - on Tuesday, November 9th – entitled “Healthcare 2005: Issues and Priorities for the President and the 109th Congress”. The program was held at the Tribune Auditorium at the James L. Allen Center on the Evanston campus. Joel Shalowitz, MD, served as moderator for the program, assisted by E and Y Partner Jay Barkett.

The opening speaker for the program was Bruce Vladeck, PhD. Dr. Vladeck is a Professor of Healthcare Policy at Mt. Sinai School of Medicine in New York City and has recently joined E and Y as a National Healthcare Consultant. Vladeck is a former Administrator of the Healthcare Financing Administration (now the Centers for Medicare and Medicaid Services), the government agency which oversees Medicare and Medicaid.

Dr. Vladeck outlined the healthcare policies laid out in President Bush’s healthcare speeches and identified what they might mean for different constituencies (such as the uninsured, physicians, hospitals, businesses, etc) should they be brought to fruition in the upcoming legislative terms under a Republican-controlled House and Senate.

The next speaker was Richard Meltzer, an attorney, and experienced lobbyist in Washington, D.C., where he is a partner for Washington Council/Ernst and Young. Mr. Meltzer was very pragmatic in his approach to the numerous healthcare issues identified. He was interested in the votes certain legislation could get, and the opposition that the proposed legislation would draw. His inside-the-beltway approach was very informative and practical.

Reacting to the two speakers – and in general to the issues raised – were four panelists: Michael Maves, MD, MBA, CEO of the American Medical Association; Charles Lauer, Publisher of Modern Healthcare magazine; Barry Maram, Director of the IL Department of Public Aid; and Henry Allen, an attorney with Holland and Knight who teaches Kellogg’s Health Law course.

Approximately 125 persons (faculty, students, local healthcare executives and Kellogg alums) attended the meeting, and asked questions during the Q and A session prior to lunch at the Allen Center.
in Biochemistry. He received his MD from Harvard Medical School and his PhD in political philosophy from Harvard University. His dissertation received the Toppan Award for the finest political science dissertation of the year. Between 1987-88, he was a fellow in the Program in Ethics and the Professions at the Kennedy School of Government at Harvard. After completing his internship and residency in internal medicine at Boston’s Beth Israel Hospital and his oncology fellowship at the Dana-Farber Cancer Institute, he joined the faculty at the Dana-Farber Cancer Institute. Dr. Emanuel was an Associate Professor at Harvard Medical School before joining the National Institutes of Health.

He has published widely on the ethics of clinical research, advance care directives, end of life care issues, euthanasia, health care reform, the ethics of managed care, and the physician-patient relationship in The New England Journal of Medicine, The Lancet, JAMA, and many other medical journals. His books on medical ethics The Ends of Human Life, has been widely praised and received honorable mention for the Rosenhaup Memorial Book Award by the Woodrow Wilson Foundation. He has also published No Margin, No Mission: Health-Care Organizations and the Quest for Ethical Excellence and co-edited Ethical and Regulatory Aspects of Clinical Research: Readings and Commentary. He has received numerous awards including election to the Association of American Physicians, the AMA-Burroughs Welcome Leadership Award, and a Fulbright Scholarship (which he declined). In 2004, Dr. Emanuel was elected to membership in the Institute of Medicine (IOM) and the National Academy of Science.

Dr. Emanuel also served on President Clinton’s Health Care Task Force, the National Bioethics Advisory Commission (NBAC), and on the bioethics panel of the Pan-American Healthcare Organization. Dr. Emanuel has been a visiting professor at the University of Pittsburgh School of Medicine and has held the Brin Professor at Johns Hopkins Medical School.

The final series of panels in the afternoon again focused on three topics:
• “The Social Responsibility of the Healthcare Industry” (Linda Emanuel, MD, PhD, Moderator)
• “Medical Devices: Is the Industry Failing to get the Best Devices to Patients and Physicians?” (Professor E.F.X. Hughes, MD, Moderator) and
• “Biotech Clusters, At Home and Abroad” (Professor Scott Stern, PhD, Moderator)

Regarding the “Social Responsibility of the Healthcare Organization,” this group of panelists, from several large pharma and biotech organizations focused on one or more projects which showed the “social responsibility” of these large firms. A particularly gripping narrative was advanced by the speaker from Merck which has supplied for free, over a 10 year period of time, the drug Mectizan which is a reliable treatment for river blindness which affects numerous African countries. Merck has been working with the U.N. and several NGOs to wipe out this scourge.

Professor Linda Emanuel introduced the topics with a series of questions: What are the responsibilities of the firms and what are the responsibilities of the government/public sector? How do companies balance the bottom line versus the rights and obligations of patients? Are healthcare benefits a right or a privilege? In this panel we discussed how some socially responsible companies proceed on these often difficult issues, and demonstrate what frameworks could be set up when taking actions that seem outside the usual scope of increasing shareholder value.

Moderator
Linda Emanuel, MD, PhD, is Professor of Medicine and the Director of the Buehler Center on Aging at Northwestern University’s Feinberg School of Medicine, and Professor of Health Industry Management at the Kellogg School. She is the founder and Principal of the Education for Physicians in End-of-Life Care (EPEC) Project. She is Health Section Director for Kellogg’s Ford Motor Company Center for Global Citizenship research initiative on international...
corporate responsibility for ethics in health care. Prior to joining Northwestern University, she was Vice President of Ethics Standards and Head of the Institute for Ethics at the American Medical Association.

Dr. Emanuel was trained at Cambridge University, University College London (Ph.D.), Oxford University, Harvard Medical School (M.D.), and Harvard University.

**Panelists**

**Naseem S. Amin, MD, MBA, VP Head of International Commercial Development, Genzyme Corporation**

Dr. Amin currently holds the position of Vice President, Head of International Commercial Development at Genzyme Corporation. He has broad responsibility for guiding business development activities and is instrumental in identifying new, external business acquisitions, their negotiation and integration into Genzyme. He formerly held the title of Vice President, Clinical Development at Genzyme. In this capacity, he provides medical leadership and guidance for the successful launch and clinical development of multiple products. Dr. Amin’s other professional experience includes work as an executive at Baxter Healthcare Corporation. He is a graduate of the University of London’s Royal Free School of Medicine, Dr. Amin also holds an MBA from the Kellogg School of Management.

**James R. Baumgardt, President, Guidant Foundation, Guidant Corporation**

Jim Baumgardt serves as a non-employee, President of the Guidant Foundation on a contractual basis. He has held that position since early 2000. The Guidant Foundation has distributed $76.5 mil since its creation in 1995. Originally from Chicago, Mr. Baumgardt graduated from Rose-Hulman Institute of Technology as a chemical engineer in 1970. After several assignments in Eli Lilly’s process engineering he switched to the sales/marketing side of the business and completed an MBA at Butler University. While providing leadership to Lilly’s Medical Device and Diagnostic Division as Director of new business development, he became part of Guidant’s spin-off from Lilly and participated as a member of its senior management group from its inception as a public company in 1995.

**Rob Dintruff, Director of Global Care Initiatives, Abbott Laboratories**

Mr. Rob Dintruff is a Director of Abbott’s Global Care Initiatives. He has worked with Abbott Laboratories over the past 23 years since completing his graduate work at the University of Michigan. In recent years, Mr. Dintruff has worked to develop Abbott’s Step Forward program, an initiative that assists children orphaned by HIV and AIDS in developing nations. He currently oversees the Abbott Access and Determine HIV Donation Programs with a new initiative being developed for the treatment of malaria. Mr. Dintruff travels frequently to the 68 nations where these programs are offered. Abbott’s efforts provide access to critical products from Abbott where the need is greatest.

**Ken Gustavsen, Manager, Mectizan Donation Program, Merck and Co.**

Kenneth Gustavsen is Manager, Global Product Donations for Merck&Co., Inc. His responsibilities include the management and strategic development of all activities associated with the Merck Mectizan Donation Program. He serves as the liaison between Merck and the various partners involved in Mectizan distribution for onchoceriasis (river blindness) and lymphatic filariasis. He also manages Merck’s donations of other pharmaceutical products and vaccines. In 2004, Merck donated $430M worth of medicines, including Mectizan, to health programs and disaster response efforts throughout the developing world. Prior to joining Merck, he worked for the non-profit agency World Relief, where he served as Project Director for Kosovo and Albania, based in Pristina, Kosovo (Yugoslavia). There he directed World Relief’s post-war activities and coordinated efforts with the United Nations, NATO, USAID and other government and non-government agencies. Ken graduated from the United States Naval Academy with a Bachelor of Science degree in oceanography and is currently working towards a Masters of Business Administration degree at Rutgers University.
Scott Winslow writes with good news. Winslow Technology Group, which Scott founded in November 2003, recently completed a profitable first year with $1.6 million in sales. The company offers storage solutions for general business applications. Clients include large organizations such as Biogen Idec, MRO Software and Beverly Hospital.

Karen Garbe Matjucha writes: I now have three children, ages 6 1/2, 3 1/2 and 16 months. Things are a bit nuts in our house in Sudbury, Mass. I am still with Deloitte Consulting and have been a partner for four years. I have had responsibility as the national practice leader for provider supply chain consulting for the last four years, and four months ago became the managing partner for Deloitte Consulting’s Boston office. There never seems to be enough time in the day. She writes: I keep in close touch with Anne Marie Maman, who is now the CEO of a medical device start-up in Philadelphia. She has relocated to Princeton, N.J.

Jackie George is in charge of new product development at Blue Cross Blue Shield of Massachusetts and has been on the national speaking circuit due to her expertise in consumer-driven health plans. She bought a house on Cape Cod two years ago and is doing great.

Kathy McDonald welcomes classmates to “visit me at the Center for Health Policy (chpp-cor.stanford.edu) and get a tour of Stanford. We’re busy trying to provide evidence to help with national and international healthcare challenges, which seem to be appearing in the news more frequently these days. It would be great to hear from folks from our class who work in some part of the healthcare system.”

Karl Krista writes “on the family front, everything is great. My oldest daughter Kami just turned 6 and will start school in September, and our second child, Arrie, just turned 7 months old. We live near Vienna in a nice house with a big garden and enjoy the quality of life this city has to offer. Professionally, my partners and I managed a successful exit from our biotech company, CellControl AG, in Munich. We sold the global rights for phase 111 development and marketing of our cancer compounds to a major pharmaceutical company. I now spend 50 percent of my time consulting for medical technology companies and venture funds, and 50 percent of my time investing in medical devices with a business angel group, so I’m always looking for deals.”

Tracy Heilman and her husband Ray also grew their family by 50 percent; Ray wrote “Tracy and I are the proud parents of a BIG baby boy, Boden Heilman Macika (see picture). He weighed in on March 1 at 9 pounds, 3 ounces, and measured 20.5 inches (where is the height to go with that weight?!). We are all doing great and can’t wait to introduce him to you.”

Rob Hermann writes: “I’m the portfolio manager and recently became president of a money-management firm based in Cleveland called The Logix Group. I still split time between New York and Cleveland, but just officially moved to Cleveland in early January. So if there are any Kellogg classmates in Cleveland, I’d love to hear from them. More importantly, I got married in
November to a great woman named Valerie Laser in our common hometown of Cincinnati.

1997

Patty Riskind, president of Health-Intell, writes with the news that the company has spun off from 3d Health Inc. Her company is a market research and consulting firm that has assumed management of 3d Health’s patient satisfaction survey, physician market research and business development/lead generation consulting services. Patty can be reached at priskind@healthintell.com.

Brian Scullion recently made partner at William Blair & Co. He is in the healthcare investment banking group.

1998

Jen Ryan sent a picture of her new son, Beau Halstead Ryan (see picture) and she reports “we are having a great time with our new career as parents.”

1999

Helene Liss, who is working at Moody’s Investor Services in Hong Kong spent some time traveling around Thailand with Jill Levine and Patti Doyle and took a side trip to Cambodia, where she ran in to Kathryn Sugerman while taking in the sights at Ankor Wat. It really is a small (Kellogg) world!

David Church has resigned his role on the HIM Board and as School Liaison Coordinator because he has moved to New York for a new position as Director of Planning for NY University School of Medicine.

Julie Sullivan Owens writes that they are now in San Antonio, Texas where husband Brett, a physician, is doing a two-year fellowship in Sports Medicine, with the first year at Brooke Army Medical Center. For the 2nd (clinical) year, they will be at the hospital at West Point. Please see picture she sent of her 2-year old daughter Cassidy with her and Brett.

2000

Dave Peacock, after several years living in Australia working for Bain, has joined Merck’s Respiratory Franchise Business Group as a Senior Marketing Manager, based in Worth Wales, PA.

2001

This year Keith Vendola stepped off Wall Street, moved to the Bay Area and joined Threshold Pharmaceuticals as the director of business development. He says the biotechnology company develops targeted therapeutics for cancer and benign prostatic hypertrophy. The company recently completed its IPO and has now begun trading on the NASDAQ.

EMP-16

Allen Goldberg in October received the designation of master fellow by the board of regents of the American College of Chest Physicians. Allen writes: “I am now fully involved in a project at The CHEST Foundation that I began with my mentor, Dr. C. Everett Koop, to enhance communication in medicine. We are now focused on overcoming healthcare disparities.”
Continuing the tradition established with *Kellogg on Marketing*, a fourth book in the Kellogg series brings you the latest and best insight on modern business strategy. Written by David Dranove, the Walter McNerney Professor of Health Industry Management and a Professor of Management and Strategy at the Kellogg School, and Sonia Marciano of the Harvard Business School (and formerly of the Kellogg faculty) *Kellogg on Strategy* continues the tradition of sharing the knowledge and experience of Kellogg’s esteemed faculty with practitioners everywhere.

Instead of rehashing the basics of strategy, *Kellogg on Strategy* offers practical solutions and perspectives on choosing a strategy and putting it into action for those who already understand the underlying concepts. Executives, managers, and MBAs will find real guidance on strategy choice and application without wading through the low-level material found in a typical business school strategy primer.

Setting aside business trends and buzzwords, the authors look at strategy without the hype. Every business is one-of-a-kind, so the tactics and templates here stress finding what’s unique about your business and developing a strategy that will enhance that uniqueness – and help you profit from it.

The book presents a four-step process for strategic analysis that helps you decide whether you should grow, downsize, enter new markets, dominate a niche, become an industry leader, drive rivals from the market, innovate rapidly or imitate the competition. With examples from many of the world’s top corporations, you’ll learn what has worked for them and what will have the best chance of working for you.

Using the specialized tools the authors provide, you’ll discover how your company is really doing and craft a strategy to get you to your goals quicker – whatever those goals may be. With a proven framework for determining what your company needs and how to get there, *Kellogg on Strategy* moves well beyond the theoretical to present the practical, workable strategy solutions every company needs.

Written for business executives and MBA students, *Kellogg on Strategy* is a practical guide to choosing the right strategy for your business and applying it correctly. Rather than covering the basics of strategy, this expert guide shows you how to use strategy effectively so your business can succeed. You’ll learn to analyze your current competitive position, develop the perfect strategy to match your goals, and apply that strategy thoughtfully and effectively. You’ll find expert guidance on:

- Measuring your firm’s competitive advantage
- Analyzing opportunities and threats in your industry
- Responding to a competitor’s strategy and pricing
- Coping with entry into new markets
- Positioning your firm against the competition
- Developing a sustainable, long-term competitive advantage

And much more
Andrew Youn’s Summer in South Africa

Andrew Youn, about to enter his second year at Kellogg, has been spending his summer in South Africa, working on a program to combat AIDS. He recently sent pictures (following page, p. 27) and a description of his activities (below) which we would like to share with you.

**Update:** I have been running around like a crazy man, and absolutely having the time of my life. Because my organization is a start-up and short on staff, they have sent me all over this beautiful, beautiful country. It’s like a vacation every week! The natural wonder here is totally out of control. You can hardly turn a corner without running into an unbelievable expanse of mountains, or breathtaking views into tree-covered valleys, or the sun setting over pastoral hills. At night: a sky full of stars.

Okay where to begin. First, I never thought I’d say this, but “work has been incredible.” The founders of my organization are pioneering a new, community-based approach to healthcare. Our organization doesn’t rely on big, shiny hospitals to provide AIDS treatment for our patients. Hospitals, (particularly shiny ones), are in very short supply in Africa. Rather, we organize poor communities to provide medical care for themselves. We go to a community and 1) find the best community doctors, who usually operate one-room practices out of a shopping mall, and we give them the tools and training to treat AIDS. 2) We supplement the doctors by training and organizing a network of community support leaders, who provide the patient follow-up and support that is critical for AIDS patients. We basically organize poor communities to look after themselves, and these communities are able to mobilize a stunning array of resources. I believe that this concept is the future of healthcare in Africa.

The most gratifying part of my experience has involved actually implementing this healthcare model, and getting ground-level experience with these communities. It has been a great opportunity to learn about the lives of AIDS patients, poor people in general, community leaders, local politicians, and community doctors. The highlight was definitely last weekend, at one of my main sites. We held a “patient enrollment,” a three day education and enrollment session for patients starting in our AIDS treatment program. We were expecting about 50 people. But *200* people showed up. It was utter, utter chaos. There were people milling around everywhere, we had nurses drawing dozens of vials of blood, we ran out of three different kinds of forms, babies crying, and we had to scrounge up more than a hundred additional meals! But when the dust finally settled, my coworker and I had educated and enrolled 140 patients onto AIDS treatment over three days.

I simply cannot describe the emotion I felt. The life expectancy of these patients is less than 12 months, and I saw in front of me an ocean of people, choosing to live. Each one special. There is this amazing little boy I have gotten to know, Mbuso, who has these horrible open sores on his face. Yet he is strong like a tree. Standing on a chair, he spoke in front of his community members about the importance of taking his medicine every day so that he could live, all in his tiny tiny voice, and ... I felt so alive to be able to witness him. It was an amazing feeling.

Thankfully, I haven’t had to digest this all alone. I have had a great South African friend to share these experiences with, Zanele (pronounced Zanelay) - we have been a two-person team, traveling together for the last two months. This amazing human being is absolutely full of life. Zanele is the fourth and last sister in her family, and her name means “enough girls.”

Zanele educates our patients before they begin treatment, and can tug at the heart of a crowd of people like you wouldn’t believe. She has amazing charisma, and wields emotion with great skill. She is absolutely tireless, and keeps patients on the edges of their seats, listening and participating and laughing, even at the end of seven hours of training. Zanele has this fire within her that doesn’t feed off of any fuel I know of - rather, her fire grows stronger with every person she passes it on to. She is a born educator and leader.
Work pictures first. My "office" at one of our rural sites. Beats a cubicle any day!

This was a great moment for me. After weeks of preparation work, this is the first patient enrollment session at Edendale. Zanele is teaching these patients to be informed and responsible owners of their own health, before they begin AIDS treatment.

Another good moment for me, one month later. This is our second patient enrollment at Edendale, where a sea of people showed up to take control of their health. The best part is that this was all driven by the community leaders and doctors that we trained – we hardly did anything. This is the power of community-based healthcare.

My instant pals: Zaneleswa, Zime, and Anele. Their key financial support is from a woman who is on AIDS treatment. I shudder to think of what would have happened if she had been allowed to die.

The other key component to our community-based healthcare model in Edendale. These are some of the local community leaders that we trained and organized. These leaders will provide thousands of follow-up visits to make sure that we are providing high quality care to our patients, who are extremely poor and need continuous support.
MISSION STATEMENT

“THE MISSION OF THE HEALTH INDUSTRY MANAGEMENT PROGRAM IS TO PREPARE STUDENTS, THROUGH THE INTEGRATION OF TEACHING, RESEARCH AND COMMUNITY SERVICE ACTIVITIES, TO PLAY LEADING MANAGERIAL ROLES IN A VARIETY OF POSITIONS OVER THE COURSE OF THEIR CAREERS IN THE HEALTHCARE FIELD. THE PURPOSE OF OUR EFFORTS IS TO IMPROVE THE HEALTH STATUS OF THE POPULATIONS SERVED BY OUR GRADUATES AND FACULTY.”

MISSION STATEMENT

“BIOTECHNOLOGY AIMS TO FIND NEW BENEFITS FOR SOCIETY WITH THE DEVELOPMENT OF PRODUCTS THAT WILL CURE, TREAT AND PREVENT HUMAN DISEASES, PREVENT HUNGER AND INCREASE SUSTAINABILITY OF THE PLANET’S AGRICULTURAL AND ENVIRONMENTAL RESOURCES. TOWARDS THIS MISSION THE KELLOGG CENTER FOR BIOTECHNOLOGY CORE PURPOSE IS TO DEVELOP KELLOGG AS THE MAJOR GLOBAL FORCE SHAPING THE MANAGEMENT OF BIOTECHNOLOGY. THIS INCLUDES EDUCATIONAL, RESEARCH AND TECHNOLOGY ENHANCEMENT ACTIVITIES.”

Save the Date!

May 19, 2006
Feinberg Pavilion, Chicago Campus, Northwestern Memorial Hospital
21st Malcolm MacEachern Symposium

Save the Date!

Next year’s Biotech Conference will be held January 14, 2006.
The Program will be held on Kellogg’s Evanston Campus.
Please watch your mail and e-mail for further specifics.