GRAND AWARD
2 “Wayne’s Story—Eradicating Poverty in Canada,” written and delivered by Dana Robbins, Vice President and Group Publisher, Metroland Media Group

CATEGORY WINNERS
4 “Disruptive Aging,” by Boe Workman for Jo Ann Jenkins, CEO, AARP
6 “The Strength to Dance,” by Ken Askew for Masashi Oka, CEO for the Americas, Bank of Tokyo-Mitsubishi UFJ; President and CEO MUFG Union Bank
9 “Pittsburgh Chemical Day Keynote,” by Jeff Porro for George Blitz, Chief Strategy Officer, Axiall Corporation
12 “Manufacturing Leadership: President’s Report,” by Chris Kefalas for Jay Timmons, President and CEO, National Association of Manufacturers
15 “Fan into Flame Your Writing Gift,” written and delivered by Judith E. Ingram, Author, A Devotional Walk with Forgiveness
17 “Silver Bullet Playbook: Rewarding Excellence in Clinical Trials,” by John Santoro for Freda Lewis-Hall, MD, Executive Vice President and Chief Medical Officer, Pfizer Inc.
19 “Change the Status Quo,” by Teresa Zumwald for Chad Delligatti, President, InnoSource
21 “Rap on Trial,” by Barbara Seymour Giordano for Charis Kubrin, Professor of Criminology, Law and Society, University of California, Irvine
25 “Skills for the Future,” by Marloes Telle for Jet Bussemaker, Minister of Education, Culture and Science, the Netherlands
28 “Solving the Carbon Problem Together,” by Douglas Neff for Roger Sant, Co-founder and Chairman Emeritus, AES Corporation
33 “Building a Culture of Health in America,” by Tanya Barrientos for Risa Lavizzo-Mourey, MD, MBA, President and CEO, Robert Wood Johnson Foundation
37 “We Are Third,” by Maximillian Potter for John W. Hickenlooper, Governor, Colorado
39 “Building Cities on a Foundation of Cooperation,” by Bill Bryant for Myron Gray, President, U.S. Operations, UPS
42 “Preventing the Boom,” by Antonie van Campen for Tom Middendorp, Chief of Defence, the Netherlands
44 “When You Come to a Fork in the Road, TAKE IT!” by Teresa Zumwald for Chad Delligatti, President, InnoSource
46 “Forever, Go Blue,” by Kim Clarke for Mary Sue Coleman, President, University of Michigan
47 “Honoring Those on Eternal Patrol,” by Greg Lemon, for Joe Heck, U.S. Representative (R-Nev.)
49 “It’s Our Company Now,” written and delivered by John Santoro, Senior Director and Executive Speechwriter, Pfizer
53 “Claire Davis Memorial,” by Maximillian Potter, for John W. Hickenlooper, Governor, Colorado
54 “To Believe We Can Do Anything,” by Kim Clarke for Mark S. Schlissel, President, University of Michigan
57 “2014 State of the Society Address,” by Larae Booker for Henry (Hank) Jackson, President & CEO, Society for Human Resource Management

HONORABLE MENTION
“A New Utility Business Model for a Sustainable Energy Future,” by Zachary Narrett for Ralph Izzo, Chairman, President and CEO, PSEG
“Somebody Just Like You,” by Janet Stovall Harrell for Forest T. Harper, CEO, INROADS
“Lose and Learn,” by Laurel Kallen for Hazel Dukes, President, NAACP New York State Conference
GRAND AWARD WINNER

“Wayne’s Story—Eradicating Poverty in Canada”

Written and delivered by Dana Robbins, Vice President and Group Publisher, Metroland Media Group

Hamilton, Ontario, April 1, 2014

Wayne was my best friend through most of my boyhood. He had an easy laugh. And it was effortless to like him.

We were the same age, but Wayne was always the leader of our small band, having mastered all the skills that boys deem essential:

• He could play Smoke on the Water on his guitar;
• And I still think that’s cool.
• He could fillet a fish with a jack knife;
• And I still think that’s pretty cool.
• And, most impressively, he could perfectly imitate the sounds of the most obscene bodily functions;
• And, for sure, I still think that’s especially cool.

I thought Wayne was the coolest guy in the world.

For all that, and despite his standing in our boyhood pantheon, there was always something tentative about Wayne. It was almost as if he was never quite certain that he was as much of a hero to us as was obvious to everyone else, or that he even belonged in our group.

Like a dog that’s been cuffed once too often, Wayne was oftentimes suspicious of an outstretched hand. And you sometimes had the sense that he fully expected his friends to one day abandon him.

As we one day would.

I’ve told Wayne’s story before; at one point I shared it with Spectator readers. But I thought I would retell his story today because so much of my own thinking about poverty started with Wayne.

And, also, because I know in my heart that all wisdom, no matter how modest, starts with the telling of stories. And that, of course, is what has being asked of you.

Wayne was a poor kid in the poorest neighbourhood of a very poor town.

My own family was of modest, even humble, means, but Wayne’s family resided one entire, precarious rung lower on the social ladder.

I don’t think Wayne had more than one pair of jeans in all of the years that I knew him. And he was always hungry, shamelessly scrounging leftovers from friends. “Do you got anything to eat?” was his standard greeting.

At home, there was no running water, no toilet, sometimes no heat. Worst of all, there was never any hope.

Wayne knew, at an age when a child should not have such wisdom, how fragile is life.

Of the many sins that can be laid at poverty’s door, surely none is greater than the vulnerability it instills in those who have been brutalized by it; that nagging, sometimes suffocating, fear that everything you have can be taken from you.

As a child, I thought that Wayne’s place in the world was unfair. I now appreciate that it was much worse than that. It was scandalous. And it was an indictment of the community in which we both lived.

In Hamilton, we, too, stand accused.

More than 22,000 Hamilton children live in poverty, almost 8,000 of them under the age of 6. That means that 1 out of 4 of the youngest, most vulnerable citizens are being taught the lessons that Wayne learned:

• That the world is mostly indifferent to them;
• That they are not deserving of anything better;
• And that what little they have can be taken from them.

I used to tell people that I grew up poor. I’m embarrassed to admit that now. I feel a bit like the guy who reads a book review than pretends to have read the actual book.

I no longer make that claim because as challenged as my family’s fortunes may have been, my own experience bears little resemblance to the experience of poverty today.

It’s never been good to be poor. Being poor has always been the short end of society’s stick.

But the truth is that to experience poverty in contemporary Canadian society is to experience a poverty that is particularly corrosive and marginalizing.

There are many reasons why being poor today is worse than it was when I was growing up. But I think a couple factors are worth noting here.

One is the increasing polarization of Canadian society. For many Canadians of my generation, whether you were growing up poor, rich or somewhere in-between you almost certainly regularly rubbed shoulders with folks of other social stripes.

When the dentist’s son turned 8, I was invited to his birthday party; I was invited even though my Dad worked in the mine and we lived in a trailer. And no one would have thought anything odd about that.

That social interaction, that cohesion, is appreciably less common today, especially in the large cities where most of us live, where it’s quite possible for a poor child to have no meaningful contact with anyone other than other poor children.

I think it’s hard for most people to understand how small your world can be when you are a poor child growing up in poor neighbourhood.

I think the second factor aggravating contemporary poverty is a bit harder to get our intellectual arms around but speaks volumes to the marginalization of poor people.

I’m talking about the increase in personal wealth in Canadian society
over the past two generations. So much affluence, so much conspicuous consumption, that Canadian society is, at times, almost unrecognizable to me.

How does that make poverty more corrosive?

It’s the juxtaposition, I suppose. With apologies to Charles Dickens and Scrooge, ‘It is when abundance rejoices that want is felt most keenly.’ I’m not saying it’s easier to be poor when those around you are also impoverished, but it is true that to be poor when folks around you are affluent, perhaps even to excess, is particularly corrosive and damaging, and ultimately weakens the fabric of our society.

I don’t claim to have gained any great wisdom about poverty in the years since Wayne and I used to throw stones from the Howey Bay bridge, but I’ve become convinced of a couple things.

Nothing will change until the people outside this room become convinced that change is essential. In the same way that a generation ago we became convinced that drunk driving was wrong, we need to be of one mind that systemic, entrenched poverty is unacceptable.

But how to build that consensus? We are buffeted by two seemingly contrary headwinds:

- The first is the dearth of Canadians who have experienced poverty firsthand;
- The second is the abundance of Canadians who have experienced poverty firsthand;

In the case of the former, the majority of Canadians of the generations that have followed mine have known only affluence.

And, increasingly, that is transforming us into a society that is not rooted in personal knowledge of poverty or even want.

Certainly, Canadian society remains a ‘caring’ culture—witness the outpouring of support following any natural disaster anywhere in the world—but increasingly it’s missing the ‘There-but-for-the-grace-of-God …’ sensibility that informed the thinking of previous generations.

We feel sorry for the poor but we really can’t imagine how it is that they have come to be poor.

I see it in my own kids. They are smart, thoughtful young people—compassionate and easily moved, motivated by sound values. But poverty is as foreign a landscape to them as the lunar surface.

A while back, my then 16-year-old daughter was complaining about how miserable her life is under her parents’ reign of terror.

“I wish I had grown up when you did,” she said. “You were so lucky. You had so much freedom.”

I did what every parent does when confronted by a belligerent teenager, I tried to make her feel guilty.

“Lucky?” I said, “How can you say that? You know how poor we were. You know I grew up in a trailer.”

“That’s right,” she said without missing a beat. “Your house had wheels. You were always going places.”

I tell you that story mostly for a cheap laugh at the expense of one of my children, but also to underline how difficult it is to understand poverty when you’ve not experienced it.

The best intentioned, most caring, individuals feel sympathy for the poor, but the experience doesn’t really resonate. It lacks traction.

I’d suggest to you that sympathy is dangerous.

Sympathy marginalizes. If we’re going to make real inroads in poverty reduction, we need empathy, not sympathy.

Empathy is what prompts action and change. After a lifetime in media, I can assure you that the stories that most resonate with readers are those with which readers can make a personal connection, ones in which they can see some part of their own life reflected.

That is why the work you are doing—sharing your stories—is so crucial.

We live in the most narcissistic age in history, one increasingly defined by our inability to empathize with those around us. Your stories will help us scale those walls.

If the lack of personal experience with poverty is an obstacle with younger Canadians, the abundance of personal experience with poverty is as great an obstacle with the generations that preceded them.

The experience of people in middle-age, people of my generation, who have known poverty—even tangentially—in their own lives, distorts their perception and understanding of poverty in contemporary Canadian society.

In many cases, it gives people of my generation a misplaced confidence that they understand poverty.

For the reasons I cited earlier, I don’t think most of us do. But yet we smugly, sometimes belligerently, wonder: ‘If I rose above my circumstances, why can’t they?’

So this is not an easy task we’ve set ourselves, mobilizing Canadians to eradicate poverty. But we should feel great confidence.

A friend introduced me many years ago to a concept from her days in nursing, a tactic used by health-care providers when it is essential that they achieve the full and undivided attention of a patient. She said you do that by presenting “information they can’t walk away from.”

I’m confident that stories you are telling for the Roundtable Speakers’ Bureau meet the test of ‘information we can’t walk away from.’ And for that I congratulate, and thank you.

One of the last times I saw Wayne, he was in hospital, bloodied, horribly disfigured and barely able to communicate, mere hours after a gruesomely violent suicide attempt.

There were a couple more encounters afterwards, but the centrifugal force of his life spiralling out of control eventually spun all of the old gang out of his circle, and out of his life.

Over the years, I’ve heard snippets now and then—health problems, a failed marriage, years of addiction, and Wayne’s ever-present companion, poverty.

I wish Wayne’s story had a different ending. But the legacy of poverty is rarely edifying.

Wayne the adult is a stranger to me now. But Wayne the boy—expert fisherman and builder of forts—is much on my mind today. And so, too, are the possibilities of what might have been.

Thank you.
G ood morning everyone, and thank you, Carol. And, let me thank the entire Board. I am honored. Welcome to AARP’s Ideas@50+.

I am so excited to be here as your new CEO, and I’m looking forward to leading this great organization, working with our volunteers and staff all across this great country and meeting as many of you as possible.

As I begin, I want to say a special word of thanks to my predecessor, Barry Rand. For the past five years, Barry has been an innovative and inspirational leader of AARP and people 50 and over.

He helped us all to see aging in a new light—not as a time of decline, but as an Age of Possibilities.

And, because of his leadership, I inherit AARP in the best financial shape in our 56-year history.

On a personal note, Barry has not only been a visionary leader of AARP—he has also been an influential and inspiring teacher and friend.

Thank you, Barry.

As you all know, we’re doing something a little different here in San Diego.

Ideas@50+ is all about giving you the opportunity to explore some of the big ideas that are out there to help you live your best life.

To get us started, I have a big idea I would like for you to consider. My idea can be summed up in two words:

“Disrupt Aging!” That’s right—Disrupt Aging. Let’s change the conversation in this country around what it means to get older. It’s not really about aging, it’s about living.

To “Disrupt Aging,” we need to get to the point where we’re no longer defined by the old expectations of what we should or should not do at a certain age.

We don’t want to be defined by our age, any more than we want to be defined by race, or sex, or income. And frankly, I’m a little tired of other people defining me that way. I want people to define me by who I am, not how old I am.

Disruptive aging begins with each of us embracing our own age—feeling good about where we are in life.

It sounds simple enough, but how many of us really do it?

We’ve all seen those ads on TV and in magazines—”50 is the new 30,” or “60 is the new 40.”

While that that may sound like a nice sentiment, as someone over 50—I’m not so sure I agree.

I was born in 1958, the same year Dr. Ethel Percy Andrus founded AARP—you do the math.

For one, we face distinct challenges and have different goals than people in their 30s and 40s. We’re at a different place in our lives. We’re motivated by different things.

Because of our life experiences, we see the world through a different lens—a lens shaped

• by experiencing the ups and downs of life,
• by the wisdom gained from those experiences, and
• by the comfort that comes from having a better understanding of who we are as individuals and what we want from life.

I don’t want to be 30 again. I may at times want to look like I’m 30 and feel like I’m 30—but I’m very comfortable with the experiences and wisdom those years have brought me. I am a more purposeful person because of my age.

I’ll bet that most of you would say the same thing. We like where we are. In fact, we’re looking forward to the years ahead, not looking back on days gone by.

At our Life@50+ event in Boston earlier this year, one of our speakers said, “When your past memories become bigger than your dreams—you know you have a problem. You’ve stopped living.”

We know that the future brings with it many new challenges and opportunities—and we welcome both with open arms. That’s what keeps us excited. That’s what keeps us engaged.

At the same time, we also know that life after 50 isn’t what it used to be.

I know because the 50 of my parents’ generation certainly isn’t an experience I can relate to.

If I had lived in my parents’ generation, I would have retired after spending 25 years in government service. After all, I was eligible for my pension, my husband had just retired, my kids were grown—conventional wisdom dictated that I should just retire.

There was only one thing wrong—I wasn’t ready to retire. I was just ready to do something different.

So, I joined AARP as President of AARP Foundation. I then became AARP’s Chief Operating Officer. And just this week began my tenure as CEO.

I almost missed this opportunity because stuck in the back of my head was a little voice that said the social norm at this stage of my life was to play it safe and retire.

Fortunately, I didn’t listen. And today, millions of people like me aren’t listening, either. According to AARP research, almost half of all employees aged 45-70 envision working well into their 70s and beyond.

In fact, as I transition into what is probably the height of my career, I am inspired by what my own experience represents for the future of aging in this country.
No, 50 is not the new 30, nor is 60 the new 40. I like to think that 50 is the new 50—and I like what it looks like.

We’re not becoming younger as we get older. We’re redefining what it means to be our age.

The 50-plus population of today is made up of individuals like all of you here—who are actively seeking and living with purpose—in a variety of different ways.

We’re not slowing down. We’re just getting started. We’re connecting with more people in more meaningful ways through technologies.

We’re committed both to family and energized by work. We don’t have to make a choice. We can—and should—have both.

We are caregivers—whether as adult children caring for older parents, parents taking care of children, or as grandparents taking care of grand kids, or as some combination of all of these.

We are volunteers and philanthropists. We are leaders in our communities, supporters of our churches, helping hands to our neighbors and friends.

We are a generation of makers and doers who have a desire to continue exploring our possibilities...to celebrate discovery over decline.

We seek out opportunities and grab hold of them when we find them.

I think astronaut Ellen Ochoa said it well. Ellen is the first Hispanic woman in space and currently director of the NASA Johnson Space Center.

Here’s what she said, “One of the things that changed during my life was I didn’t feel that I was limited, that I had to make choices... You’re not shut out. You’re not cast in one particular mold.”

I identify with that.

To me, it demonstrates that people 50-plus are still living in ways that reflect the attitudes, activism and aspirations of the boomer generation.

AARP is an organization of “Real Possibilities”—because we believe that no one’s possibilities should be limited by their age and that experience has value.

That optimism—that desire to live life on our own terms, to make a difference, to change the world—is very real.

But, I also know as former President of AARP Foundation, what else is real—Real people face real challenges every day.

Many struggle to meet their most basic needs—health, financial, caring for themselves and their families. They need our help and support.

People don’t want to be limited or defeated by these challenges. They want to win back their opportunities.

The good news is that we embrace challenges and persevere when faced with adversity. We’re used to the world shifting right under our feet—even those of us who don’t live in California.

We adapt. We fight for what we want. And, we aren’t easily defeated.

Our goal at AARP is to help you and your families confront those challenges and embrace your opportunities to the fullest extent possible.

This requires innovative thinking and big ideas—which is what you’re going to get here at Ideas@50+.

It requires bold action and leadership to confront the issues that face an aging America.

And, it requires changing the conversation around aging in this country so we embrace aging as something to look forward to—not something to fear.

And, as your CEO, I will be unapologetic in fighting for the wants and needs of people 50+, and I need you to be fearless with me—whether in Washington, or in states and communities across the country.

We can’t do this alone. We have to bring all parts of society with us.

There is a public role for government at all levels, a private role for businesses and organizations, and a personal role and responsibility for each of us.

That means we also have to learn how to get the most out of life in rapidly changing world. Let me give you an example.

Last year, we introduced AARP TEK to help people get the most out of their personal technology.

This year, here in San Diego, we’re introducing RealPad. We created this tablet in partnership with Intel, specifically to meet the wants and needs of the 50-plus.

It’s easy to use, comes loaded with useful information, and it’s affordable—all designed to help you stay connected and live your best life. You can see RealPad at AARP TEK on the exhibit floor.

Now, at the end of this session, I want you to look underneath your seat. Five of you will find a certificate for a free RealPad. If you’re one of the lucky winners, just take your certificate to the RealPad booth to learn how to receive your free RealPad.

We live in a very interesting and exciting time. Most people turning 50 today can expect to live another 30-plus years. That’s more time than they spent in childhood, in adolescence, and for many, it’s more time than they spent working.

We’re quickly approaching a time when people 65 and older will outnumber children 15 and under for the first time in history.

Our ability to live longer, healthier lives is one of mankind’s greatest accomplishments.

Maya Angelou—who graced the stage at our national events for many years—once said that, “At 50, you become the person you always wanted to be.”

I think that’s right. And at AARP, we truly believe that for every member of our society, age and experience can expand your possibilities in life.

When we disrupt aging, and embrace it as something to look forward to, we can begin to discover the real possibilities for living the life of the person we’ve always wanted to be.
Good morning, everyone! Thank you for that warm applause. It's great to hear such appreciation for penmanship! I hope you noticed that nice manicure, too. I had to be talked into it. My first one ever. And the last!

You've heard all those words—[on opening video, showing Mr. Oka’s hand penning a manifesto—with voiceover of him reading it out loud as he writes—about the moral imperative, nobility and pride of responsible banking, concluding with him signing his name,]—from me before. Pride in being a banker. Our noble profession. Responsible banking. I hope you know by now that I mean every word. I'm honored to sign my name to them.

And today, I'm honored to welcome each of you to the first official gathering of this great new leadership team. A team of destiny. A team that's going to build our new bank into a force to be reckoned with throughout the Americas.

We've traveled a long road to be ready for this moment. We're not quite over the finish line. That’s why we’re here. To roll up our sleeves and get some work done, today and tomorrow. But we’ve made huge progress, and I’m really happy with where we are.

I know it hasn’t been easy. I imagine at times, you felt a little like this. [New Yorker cartoon: Husband to wife as they walk past Luigi’s Pizza joint where “Luigi’s” is crossed out and replaced with “Hashimoto’s”: “Uh-oh.”]

I know worries like these can keep you up at night. I know because it’s natural. I also know because you told me! You’ve mentioned your fears. That one coast will overshadow the other. Or that a great, longstanding culture will simply fade away. One of you even admitted a recurring nightmare—about starring in that music video from the 80s, I'm Turning Japanese I Really Think So.

[New Yorker cartoon: Cave-drawing artist speaking to tribe with clubs and spears: “I don’t know how to draw an integration—you’ll have to go back and kill them.”]

So I'm glad we got some issues that trouble you out on the table last night. We need to communicate throughout this process. Especially when it’s uncomfortable. An integration like this demands serious discussion and fearless soul-searching.

Last night, we talked about the top ten worries you told us about in the survey we sent you. Your responses showed the pulse of a healthy organization in a state of high alert. Thoughtful… insightful… full of constructive concern.

You also made clear we certainly haven’t done everything perfectly so far.

That’s useful feedback, too. Whenever we talk about our hopes and dreams, we also need to talk about our fears and nightmares. Like this one. [Actual family photograph of the speaker, Masashi Oka, as a first-grader waiting for the school bus dressed in suit and tie and carrying an adult-sized briefcase.]

The fact is, no one’s turning Japanese here. But we all are turning more global. Tokyo included.

We’re establishing closer ties that reach around the world to other members of the MUFG team, and at the same time give us more free rein here in the Americas.
This is about becoming an integral part of an organization of 120,000 people, doing business in 800 offices in 40 countries, for a purpose, for a meaning, more than simply making money.

It’s about the greater good.

About our contribution and obligation to society.

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Reinventing a company takes a lot of work.

So let’s not lose sight of what we’ve done right so far.

On top of your day jobs, you, and your people by the hundreds, have invested more than 100,000 hours of sweat—and possibly tears—in the name of Project Leones.

You’ve led seventeen task forces and dozens of work groups, guiding more than 100 work-streams through aggressive timelines, to handle more than 8,000 specific duties and countless details.

Here’s one way to look at what you’ve accomplished.

[Visual: Mosaic amalgam of dozens of actual PowerPoint slides showing complex charts and graphs, produced during the multi-year “Leones” project to integrate all MUFG organizations throughout the Americas into one new bank.]

I’m sure you know there are thousands more PowerPoint decks like these out there.

But here’s another way to see what you’ve accomplished. A better way, I think.

[Visual: Glamour shot of new San Francisco-Oakland Bay Bridge span.]

You’ve been building bridges.

That’s a literal bridge you helped build, by the way. The new San Francisco Bay Bridge. We funded it to tune of $185 million in Toll Authority bonds.

But the bridges I’m talking about are the figurative bridges you built through Leones. Bridges of lasting relationships across the Americas and the Pacific. The Leones process itself has transformed us. It’s prepared us to produce results as a team.

There’s never been a doubt our new bank would have strength to power our dreams. The real questions have been:

Can we produce together effectively?

Can we coordinate our strengths gracefully?

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There’s an unusual story about Herschel Walker, the great football player in the 1980s and 90s. He kept himself in phenomenal condition. He’s said to have done 1,000 pushups a day, and 2,000 sit-ups—except on his birthdays, when he celebrated by doing twice as many.

He was a running back for the Dallas Cowboys. It raised some eyebrows. We funded it to tune $185 million in Toll Authority bonds.

But being bigger is not enough. We want to be better bankers.

HQA and Union Bank each come to this room with strengths to offer the other. We have a choice in how to develop them together.

We can stick with old patterns. Exercise the same muscles.

But that could mean we end up looking like this:

[Visual: Popeye walking, clearly showing his overdeveloped forearms and calves and underdeveloped biceps and thighs.]

Overdeveloped and underdeveloped at the same time.

That’s what we need to avoid.

We need to concentrate hard on building one body that’s balanced… and has the strength to dance.

That doesn’t mean we put aside our heritage. There’s a lot to be proud of.

A long string of triumphs over the centuries.

Union Bank is celebrating 150 years of a beloved presence on the west coast.

It holds the title of being the most reputable bank in America.

HQA comes from an equally long and distinguished heritage, with tremendous financial performance under Katsumi’s leadership.

It’s only right to respect our individual paths. They brought us here, to the point of convergence. Our convergence now offers us power to grow.

But being bigger is not enough. We want to be great. That will be based on something deeper: our shared values.

Like responsible banking. Relationship banking. Commitment to customers, communities and colleagues.

***

A few years from now, we’ll look back at this moment as an inflection point in our bank’s history. We’ll each ask ourselves, did I move the needle? Did I bring out the best in my people? Did I wisely help guide us through a confusing environment?
Over the next two days, we’re here to map out our future together. We need to be on the same page. A remarkable thing about the human body is that every cell knows the master plan. Every individual cell contains a complete blueprint for the entire body. DNA.

[Visual: Double helix.]

When we wrap up this meeting, I want to know that each of us here contains our master plan. I want us to walk out together on a path of unity, each knowing our role and the big picture, too.

It’s not always going to be nice and smooth. Nothing important is ever easy—and our work is very important. We’re entrusted with other people’s futures.

Without their trust, we’re nothing. Last year, Sarah Raskin, a member of the Federal Reserve Board of Governors, made a speech about the value of reputation in banking. After forty-five minutes of exhausting analysis, she concluded that, quote:

The principal social value of financial institutions is their ability to facilitate the efficient deployment of funds held by investors, and entities that pool these funds to productive uses. In the context of banking, social trust and reputation are the same thing.

In a sense, she’s saying bankers can help make dreams come true. But to accomplish that, bankers need trust. And reputation built on trust. That’s always been so. But today, it’s especially important.

As Raskin points out, a lot of “the darkest manifestations of the financial crisis have receded. The boarded-up homes with overgrown lawns. The half-built skyscrapers. The Occupy Wall Street protests. The ‘We Buy Houses Cheap’ signs at exit ramps. But even as the economy comes back to life, the memory of these events is still sharp in the public’s mind.”

I know we in this room weren’t part of causing the damage. But we’ve suffered damage ourselves. The reputation of banking has been tarnished. The only way to fix it is to earn it. Again. And again. Every day. Back to the basics of responsible banking.

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A few weeks ago, I sat down with Tom Curry, Comptroller of the Currency, in our regularly scheduled semi-annual meeting at his office in Washington. In the course of our conversation, he showed me a document and said, “Here’s what I believe about banking.” It was called, “Advice to Bankers” from the Comptroller of the Currency in 1863.

[Visual: Shot of original parchment sent from Comptroller of the Currency to the banking community in 1863, titled “Advice to Bankers.”]

I took a look and immediately said, “That’s what I believe, too! I have a framed copy in my office, and I’ve read it over and over!”

There’s a lot to think about on that one simple page. That’s why I’ll be sending each of you a copy soon through interoffice mail.

Here are some of my favorite lines:

Bear in mind the fact that a bankprospers as its customers prosper, but never permit them to dictate your policy.

The capital of a bank should be a reality, not a fiction.

Pursue a straightforward, upright, legitimate banking business.

Splendid financiering is not legitimate banking, and splendid financiers in banking are generally humbugs or rascals. Never deal with a rascal.

What impresses me most is that these truths were put forth more than 150 years ago. They’re still entirely relevant and worth considering every day. When the document arrives at your desk, I hope you do like I do, and put it somewhere you’ll see it often.

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Banking is a tumultuous sea. Crises come and go. Cycles come and go. Chief executives come and go. What endures is the anchor of responsible banking. That’s a natural result of doing right and putting customers first.

We’re sailing into uncharted waters with MUFG Americas. There will be daily challenges ahead. There will be uncertainties.

But we have a North Star to keep us on course. It’s called doing right. Right by the customer… right by the community… right by each other.

That’s... responsible banking.

Mark Twain said, “Always do right. This will gratify some people and astonish the rest.”

If we keep that high standard firmly in sight, we cannot lose our way. Always do right. That’s how to be proud you’re a banker.

Thank you for listening, and for all you do.
Thank you, Bill [Flanagan] for that kind introduction. And my thanks as well to the Pittsburgh Chemical Day committee for inviting me to speak to you this evening. It is an honor to join the amazing group of men and women, true giants of chemistry and the chemical industry, who have been keynote speakers at this event. It’s also a privilege to share this dais with Secretary Walker, although I must say your thoughtful remarks are a tough act to follow…

This is a great time to speak to a roomful of chemistry professionals: you’re pretty much guaranteed the audience is going to be in a great mood, thanks to all the excitement in our industry. And I plan to add to that good mood today by celebrating all we’ve accomplished.

But I also believe strongly that this exciting era could come skidding to a halt if we get complacent. So I’ll also offer some thoughts on what we need to do to keep the industry we love moving forward.

Let me begin by talking about connections. As a company, Axiall may seem like a relative newcomer here at Pittsburgh Chemical Day. But in fact our ties to this great event and to this dynamic city go way back. While our predecessor company, Georgia Gulf, was active at PCD, obviously PPG’s Chlor-alkali and Derivatives division, now a vital part of Axiall, has long-standing, close and supportive connections to PCD. And of course many of our people have been—and still are—located right here. At Axiall, we look forward to building on the tradition of strong involvement in this prestigious event.

And there is one other, different kind of connection that I also want to mention—the strong family ties that link me to Pittsburgh and to this city’s chemical industry.

I’m a 3rd generation chemical engineer. Chemical engineer number one in the Biltz family—my grandfather Joseph—grew up in Springfield, just a few miles from where we are today. He graduated from the first college to offer a degree in Chemical Engineering—the University of Pittsburgh—where else—in 1922. Then he worked here as a chemical engineer for Union Carbide for a few years, before they moved him to Niagara Falls in New York.

Now I mention my grandfather, not only because of the Pittsburgh connection, but also his story highlights both the promise and the challenges our industry faces today.

Think about my grandfather’s first twenty years as a chemistry professional—from say the mid-1920s to the late 1940s. They were years filled with such dramatic innovation, growth and excitement in chemistry.

The discoveries and inventions were jaw dropping—ethylene derivatives, silicones, rayon, nylon, poly styrene, Polyurethane, the Houdry Process for catalytic cracking, just to name a few.

We often talk about the modern chemical industry—he was actually “present at the creation” working on the front lines. In my mind, that was the “golden age” of American chemistry, a time when the development of petrochemical and acetylene feedstocks unleashed a stream of new products and unlocked vast amounts of value.

Here is where I have to admit something—I used to be pretty envious of that era my grandfather worked in. Let me be clear that, as an engineer two generations after my grandfather, I’ve always loved what I do. And I’ve always been especially proud of the way chemistry enables so many of the things the world depends on.

But envy of my grandfather did creep in because—while his career came during a time of historic industry achievements and triumphs—much of my career has come at a time when the industry has struggled with different kinds of challenges.

To be reminded of those challenges, all you have to do is to look back to some of the issues of Chemical and Engineering News, from as recently as the early 2000s. Here is a quote from a 2002 cover story: “As chemical industry production spiraled downward in 2001, so too did industry employment…the drop in employment continued a decade-long trend for both chemical and manufacturing jobs.”

Hardly the “golden age.” Environmental and other regulations, and especially the rising cost of feedstocks were taking a huge toll on the U.S. industry. To make matters worse, most expert observers didn’t see much hope for a turnaround. Because it seemed certain energy and feedstock costs would remain high by historical standards, everybody assumed the future of the chemical industry was off shore in the Middle East and Asia…far away from Pittsburgh, Cleveland (where I grew up and my father worked for Union Carbide), and the rest of the United States.

And Pittsburgh—already hit by the decline of the steel industry—was battered even more by chemistry’s decline. Your local headlines back then were about record unemployment, forced layoffs of police, teachers and other city workers, municipal bonds reduced to “junk,” and so on. As I mentioned, I grew up in Cleveland, and went to college in Detroit—so I know very well what the brutal impact of tough economic times can do to a community.

Fast-forward to today.
Isn’t it amazing how things can change so radically in just a few years? The fact is I don’t have to envy my grandfather’s era anymore, because—as everyone in this room knows so well—our industry has not only recovered, it has taken off like a rocket.

It seems like wherever you turn you bump into another wonderful statistic.

Employment up… growth rates projected to rise to 4% a year. Exports up 6.6%, trade up nearly 10%, and my personal favorite: more than $100 billion in new chemical investment in the US.

Because chemistry touches 94% of the products made in the US, our industry’s remarkable growth has spurred an American manufacturing renaissance, one that promises to help our economy not only recover, but expand in the years ahead.

As for the city that is home to this event, no one is shedding tears for Pittsburgh now. You are now hailed as the “comeback city,” thanks in large part to our industry’s turnaround. Your growing population, increased employment, new buildings, dynamic neighborhoods, and wise public policies are now held up as an example for other distressed cities to follow.

Simply put, this may well be the most exciting time ever for our industry in my lifetime. I don’t know if historians will call it a “new golden age.” But if my grandfather were alive today, he might well envy me.

So, by all means, let’s celebrate that. However, let’s also remember that if the years between my grandfather’s career and mine have taught us anything—we cannot be complacent.

We HAVE to think hard about how we can ensure the amazing, exciting times we live and work in keep moving forward.

Since I’m an engineer by training, you won’t be surprised to hear me say the first thing we need to do is understand why this turnaround, this renaissance, this new golden age of chemistry, occurred.

Most people would opt for a simple two word answer—“shale gas.”

Or if we’re talking about Pittsburgh, the two word answer is “Marcellus Shale.”

A more accurate explanation of our industry’s success can be found in one word—“innovation.”

Shale gas and the Marcellus Shale have always been there. It took technological innovation to unlock it. It took George Mitchell spending fifteen years working to develop commercially viable fracking, at a time everybody else said it couldn’t be done. It took government and industry researchers and engineers developing advanced drilling and extraction techniques.

But engineering breakthroughs alone did not turn our industry around. Innovative technology was soon accompanied by innovative business practices. The sheer size of our natural gas resources—more billions of barrels of technically recoverable oil than Saudi Arabia in the Marcellus Shale alone—meant that many producers lacked the capital and resources to develop the infrastructure needed to drill, extract, and market the gas.

The result has been the development of innovative new partnerships, investments and joint ventures—linking companies here and around the globe in trailblazing new cooperative initiatives.

Combining shale gas with innovative technology and innovative business practices has also created a domino effect—lower prices for fuel and feedstocks means companies have more money to invest in manufacturing and R&D. That in turn leads to innovative products and processes. These not only boost industry performance and increase consumer demand for our products, but also lead to expanded development and use of shale oil.

I want to spend the next couple of minutes describing one example of what happens when shale gas meets innovation. It’s an example I know pretty well.

Early this year, Axiall signed an agreement with Korea’s Lotte Chemical to pursue a 50/50 joint venture to explore the design, construction and operation of a new ethane cracker. We project the cracker would cost about $2 billion and would produce about one million metric tons of ethylene per year.

The plant would be located in Lake Charles, Louisiana, next to our current plant there.

Since the signing we’ve been doing a joint front-end engineering and design study, which should be completed in early 2015. That study will allow both boards to make a final decision in the first half of next year on going forward. If we do, the project is expected to create between 2,000 to 3,000 temporary construction jobs, 250 direct jobs, and an estimated 2,200 new external jobs.

There are a lot more complicated details about the project, of course. But the key to the new cracker is that it would have never even been dreamed of without the innovations in our industry that I talked about.

Without the engineering breakthroughs that unlocked shale gas, the economics of a new cracker would not have made sense. No CEO would have even considered it.

In addition, it took the merger that created Axiall to create a company with the size and resources to be a serious partner on such a project. And it has taken an innovative business partnership, between two companies half way around the world from each other, to move the project forward.

Our project is but one of hundreds that are underway or in the planning stages, thanks to the innovation that is responsible for this exciting era.

Which leads to the most important question of all—how do we ensure that kind of innovation continues to fuel progress and spur performance in chemical manufacturing?

First of all, we have to remember our history. What does it say on every stock prospectus? “Past performance is no guarantee of future returns.”

Great performance, high returns, and continued progress in our industry are not inevitable. Many of the people in this room have lived through periods of growth and optimism before, only to see them followed by setbacks and downturns. I’m sure that in the 1940s and 1950s many people assumed that our industry would just continue to grow and prosper. Instead it went into...
decline about the time the third generation, meaning me, graduated from college in the 1980’s. As I said earlier, we cannot be complacent.

This is underlined by one of the basic facts of business—if you’re not moving forward, you’re in decline.

To prevent decline, to avoid complacency, to keep moving forward I believe there are two challenges our industry must meet.

The first is regulatory reform.

I’m sure that everyone here this evening has a story of a regulation—or a regulator—that made no sense, that seemed dedicated to making our work almost impossible, or was simply setting the stage for a lawsuit.

Given that experience, I’m very familiar with the temptation is to dismiss all regulation as red tape that chokes off innovation.

But the fact is that civil society and public officials have the same legitimate concerns as we do in industry regarding issues such as safety and the environment. We clearly need to take them seriously. If we don’t, or if we treat regulation as a zero sum game, the result could be a dead lock that drastically limits the potential of shale gas. To me that means that as an industry we should do more than just say “no.” We have to be proactive and engage.

We should certainly fight against bad regulations, but we should also fight for smart regulations. We should make sure regulators and community groups, are familiar with the latest technology, that they have a realistic sense of the costs and benefits of innovation and be ready to discuss the impact of our investments on the community.

Our goal should be to find common ground, working for a regulatory regime that makes intelligent trade-offs, helping both the economy and society benefit.

As former governor Ed Rendell once said, “I think better regulation is good for the business community, and I think that’s something we should get together on.”

The second challenge we must meet to sustain innovation and keep our industry moving forward is STEM education. For those of you that aren’t familiar with it, STEM stands for Science, Technology, Engineering and Math.

On the one hand, we need to support STEM education to ensure we are incubating the pioneers who lead the breakthroughs that spark innovation—people like our industry’s George Mitchell, or Pittsburgh’s own William E. Wallace, who worked on the Manhattan Project and built a world class chemistry department at the University of Pittsburgh, or Percy Julian, a pioneer in the chemical synthesis of medicinal drugs from plants, and the first African American Chemist inducted into the National Academy of Science or Alice Hamilton, a chemist and physician who directed the first governmental commission to investigate industrial hazards in the workplace.

We also need to support STEM education because our industry can stay innovative only if we have a strong, dynamic pipeline of creative young STEM professionals. That pipeline will ensure we don’t stand still.

I know that chemistry companies here in Pittsburgh are forming trailblazing partnerships with nonprofits to support STEM—with organizations like ASSET STEM Education, The Challenge Program, the Chevron Center for STEM Education and Career Development, and many others. That’s the kind of industry effort we need throughout the country.

STEM education, regulatory reform—those are my recommendations for WHAT we should do to battle complacency and prevent decline. I want to conclude by talking about HOW we should do it.

Every one of us here has a job that is engaging, demanding, and often stressful. It’s easy for each of us to get preoccupied with that particular job, or with the unique challenges facing our company.

But if we want to keep chemistry moving forward we’ve got to break out of our habits, our silos, our comfort zones. Do more to think and act as an industry focused on its future.

It’s no longer enough for individual companies to support smart regulation and STEM education. We need a more collaborative—and coordinated—effort to make our voices heard. That’s the best way—in fact, I think it’s the only way to ensure innovation in our industry continues to shine and our economy continues to grow.

Right now, the future seems so bright, we need shades. But remember what John F. Kennedy said, “Time and the world do not stand still. Change is the law of life. And those who look only to the past or the present are certain to miss the future.”

Business author Alan Deutschman put it more bluntly, “Change or die.”

We’re the experts on what our industry’s future requires. We’ve got to get involved and stay involved in leading society toward that future. If we don’t, then society will tell us where we are going. And our golden age might become just another memory.

But I’m an optimist. I see a bright future led by the smart people in this room and throughout the chemical industry. The advancement of our industry hold the promise of continued growth, of exciting new breakthroughs that will cure diseases, create new products, protect the environment, and improve the quality of all of our lives, while fostering a re-birth of American manufacturing, and sustained economic progress. But will those promises ever be redeemed? In the end, that’s up to us.

They say history repeats itself, and perhaps it does. I’m now blessed with a grandson, and I spend a lot of time thinking about his future and the world he will inherit. Will he be a chemical engineer, part of a great industry? I hope so, but hope is not a strategy or a plan. To shape the world or shape an industry, requires action. Action by each and every one of us, as leaders of our industry. If we work together to battle inertia and embrace the challenges I’ve talked about, we can deliver a brilliant future to our children and grandchildren… in much the same way my chemical engineer grandfather and father did for my generation.

I know we can do it, and I’m looking forward to working with all of you to make the promise of 21st Century chemistry come true.
Good afternoon. We thought it was worth playing a part of Doug’s opening video again, because it highlights an important point: Americans believe in manufacturing, Americans know manufacturing creates jobs, growth and opportunity. Americans know manufacturing provides pathways to the middle class, to a stable and secure retirement and to a brighter future for each new generation. Manufacturing changes people’s lives for the better—and improves the conditions of life for everyone.

That’s why, as we gather today, even with the gridlock in this city, the National Association of Manufacturers is able to move our agenda to grow the economy. We’re winning the public over.

It’s a new day in public policy advocacy in this country. A democratized marketplace of ideas—unlike anything we’ve ever seen—has replaced the institutions, which have traditionally set the agendas, guided the debates and informed decisions. At the same time, the NAM has evolved, innovated and changed for the times—just like the storied companies of our association.

We’ve bolstered the organization across the board to adapt for, address and thrive in this new reality where public opinion is key.

From stepped up public relations and communications, which maximize data-driven new media solutions and traditional forums, to expanded grassroots networks and coalitions; from increased personal involvement of NAM member leaders, including many of you, in telling the manufacturing story, to impactful new research—the NAM has set the standard for comprehensive issue advocacy campaigns that leave nothing to chance. The reports we conducted and released recently have framed discussions on issues like the Export-Import Bank reauthorization, the potential new ozone standard, infrastructure investments and the onslaught of federal regulations that combine to take $2 trillion out of our economy each year.

To bolster these campaigns, we’ve grown our partnerships with traditional and nontraditional allies—from the U.S. Chamber of Commerce, to the Laborers’ International Union of North America, to the National Council of La Raza. And, at the same time, we’ve deepened our relationships with members of Congress.

Beyond these necessary steps, a new, strong voice has emerged in Main Streets and in capitals at home and abroad. Because manufacturers’ challenges do not stop at America’s borders, the NAM is engaging world leaders and forging new partnerships around the globe, thoughtfully, strategically and always focused on our mission.

Because of our own government’s overreach, we established—one year ago this month—the Manufacturers’ Center for Legal Action to lead the fight in the courts to restore balance in a regulatory environment that weighs disproportionately on the manufacturing sector.

Ladies and gentlemen, let me be perfectly clear, the NAM achieved this progress because of you. We received financial investment, leadership, advice and even boots on the ground from our members to help make the difference. You cascaded action alerts to your employees. You shared our videos and social media with your contacts. Thanks to you promoting and highlighting our studies, they were even more impactful. Our joint partnerships with associations like the Chamber, the Business Roundtable, the Retail Federation, the National Federation of Independent Business, our state association allies and other powerful manufacturing organizations to which you belong and sometimes lead—those alliances have helped make the NAM more successful.

Thanks to your leadership, steadfast support and stepped-up involvement, our approach has worked. We’ve achieved unprecedented growth—in membership and revenues, a 27 percent increase in the organization’s revenues from 2009 to what we project in 2014—empowering manufacturers with more resources to more effectively advance our shared priorities.

And, we are seeing results. [Accomplishments video]

All this progress has been remarkable. But all these accomplishments are just the beginning. And all we can still achieve stretches beyond the horizon.

Now, we gather this afternoon at a time of reflection and renewal—in a moment of progress and possibility; of challenge as well as opportunity; at a time just a few weeks before Election Day, when we will choose congressional leaders for the next two years.

This will be no surprise to any of you in this room: An August Wall Street Journal/NBC poll found declining trust in both major political parties and a growing pessimism about the future of this country. That poll found that 76 percent of adults lack confidence that their children’s generation will have a better life than they do—an all-time high. Some 71 percent think the country is on the wrong track, and 60 percent believe the United States is in a state of decline. They neither have confidence in the president—who has an approval rating of just 40 percent—nor Congress.
Just 31 percent have a favorable view of Democrats in Congress and, shockingly, just 19 percent have a positive view of Republicans in Congress.

Whatever happens in the election next month, it’s pretty safe to say the malaise will not dramatically improve, if at all. The gridlock and uncertainty are likely to remain in place. And the issues that are essential to preserving manufacturing’s comeback—comprehensive tax and immigration reform, regulatory reform, an “all-of-the-above” energy policy, expanded trade opportunities, bolstered intellectual property protections, long-term infrastructure investments, tort reform and education reform—will continue to be met with resistance, contention and vitriolic partisanship.

But the people of the United States have never been content with being bystanders during history—we force the winds of change. And the people of the United States have not lost our spirit to lead the world. It’s in our DNA, it’s who we are, and it’s who we aspire to be.

The American people are, indeed, ready to rally again—to claim and to secure for their children and future generations the American Dream: a tomorrow that is always better than today. A dream that embodied our founders to risk their lives for independence and inspired them to craft words and ideals that animate a nation that is the envy of the world. A dream that drove men and women not only to risk their lives abroad, but also to create an “Arsenal of Democracy” that saved a continent, secured liberty and ended a global war. A dream that has attracted millions to our shores, who, in turn, built their future—and ours—here, right here.

America is not lacking belief in that dream or in ourselves. America is not lacking a will to work. The problem today is that America lacks leadership.

The type of leadership that welcomes, encourages and promotes job creation—not rhetoric that disparages the motives and patriotism of the people who create those jobs.

The type of leadership that inspires all people to achieve more—not that reduces us to being nothing more than average.

The type of leadership that brings us progress—not that creates gridlock and, worst of all, divides our people and turns us against ourselves.

Leadership that understands and values American exceptionalism and that sets goals and aligns policies that preserve and perpetuate it, not only here but around the world.

That is our unique opportunity, that is our responsibility, and that is what we must do: we must lead, and we must unite the nation. The gridlock will end—and we must be the catalyst for the change that is so imperative.

Americans are ready to look to us to break the gridlock. To fill the vacuum of leadership. To provide solutions that spur innovation, bolster job creation and promote economic growth. Solutions grounded on four unifying principles that fueled manufacturing’s rise in the United States and that have made our country the greatest in the history of the world: free enterprise, competitiveness, individual liberty and equal opportunity.

Free enterprise—the vitality of pure market forces that drive innovation and growth in the private sector.

Competitiveness—the pragmatic policies that enable our businesses to increase investment, expand markets and succeed in the global economy.

Individual liberty—the creativity and entrepreneurship unleashed by protecting, defending and, yes, advancing the basic freedoms enshrined in our Constitution and Bill of Rights.

Equity—equality—the fundamental belief that, given the chance, every human being has the potential to prove they can contribute to the success of our enterprises, our communities and our nation.

How do these principles apply to a national policy agenda? Well, our taxes must be more competitive; our regulations must be more transparent, consistent, balanced and fair. We must remove taxes and modify regulations and change laws that get in the way of our people maximizing their potential to contribute. Our approach to infrastructure must be recalibrated toward the future; our “all-of-the-above” energy policy must extend beyond words and into action. We must modernize our workforce training system for the 21st century—to prepare our people to excel in the global economy. And we must finally move forward on comprehensive immigration reform—not only because it makes us more competitive, but also because it’s the right thing to do.

Free enterprise, competitiveness, individual liberty and equal opportunity—these principles are a strategy for seizing what’s achievable and making business the business of America again.

The present gridlock in Washington and uncertainty around the country are the result of too many politicians—in both parties—who are willing to allow these principles to diminish or to erode. And that gridlock and uncertainty are the consequence of failures to support and to cultivate Republican and Democratic candidates who embrace free enterprise, competitiveness, individual liberty and equal opportunity as a governing philosophy.

It’s time—well past time—to get Washington working again. And these principles chart the course. They align with the values and beliefs of the majority of the American people—because these ideals are written into our founding documents, they are etched into our past, and they are woven throughout our history. They’ll help us win elections and secure sound and wise policy that will ignite prosperity and growth.

Now, to advance this agenda, America needs each of you in this room and all business leaders all across the country to engage, to educate and to persuade.

And thanks to the great work of you and other members around the country, the NAM is showing the way.

In terms of election engagement, the NAM has expanded our programs at every level—to help break the gridlock and turn out manufacturing voters. We’ve built a broad coalition of national, state and local partners...
and allies to host employee registration drives. We’ve spearheaded get-out-the-vote efforts during the most recent primary season—and we will have efforts in Colorado, Iowa, Kentucky and North Carolina this fall. Our travel teams will head to those states, to visit NAM members and canvas with voter guides and election materials. In addition, we’ve organized nonpartisan forums around the country to educate manufacturing voters and increase our impact in the elections. And our online Election Center has become the one-stop resource for manufacturers—employers and employees—for customized election information, for how-to guides on building effective and legally sound get-out-the-vote strategies and for priority issue education.

And the NAM has taken the engagement discussion outside of Washington—and to our members with our new “Leadership Engagement Series.” Through this dialogue, we’re challenging more executives—hundreds of executives—to get involved in the political process personally and to encourage their employees to cast their ballots. We’re harnessing the insight and experience of our board to convince their peers all throughout the supply chain about the importance of reaching out to their representatives—to not give in to, or give up on, Washington, but to move it in the direction that we need.

The political system we seek and all Americans deserve requires something more fundamental, however. The business community—the business community as a whole—needs a tactical shift. In addition to embracing the right values, we need to be nonpartisan and be deliberate about how we engage lawmakers in not only general elections but primary elections as well.

And in terms of nonpartisanship, while Republicans have put forward laudatory tax and regulatory reform ideas and moved them, we must acknowledge that Democrats have championed Ex-Im Bank reauthorization, bipartisan deals on transportation and waterway infrastructure funding and workforce development.

But let me be clear. Nonpartisanship does not mean that we will not take sides. When a party supports policies that could exacerbate the effects of the world’s highest corporate tax rate, like the Administration’s piecemeal tax measures, endangering the livelihoods of families in the United States, we will respond. And we have.

Let me be clear about something else as well. We need someone at 1600 Pennsylvania Avenue who will not seize upon issues, like inversions, to score political points. We need a president, whoever he or she is, to stand up for American businesses and provide the leadership to attract headquarters to our shores—rather than using his or her office to demonize business and job creators. A president who is willing to provide the leadership to make our tax code more competitive and reform our regulatory framework—in order to attract corporate investment to our country. Anything less than that is a total failure of leadership.

We need pro-business Democrats, particularly in congressional districts that vote uniformly democratic, as well as pro-business Republicans. We need nominees in both parties who advance commonsense solutions.

And, my friends, if we are to succeed, we must also be smarter about how we engage in the political process. Duplication and competition for resources is just plain foolish. Resources must be committed to where they are needed most. Engagement in primary elections is absolutely critical; otherwise, we allow the extremes, in both parties, to decide who wins and who loses.

We have to help a new generation of leaders emerge—people who know how to create jobs and grow a business. We’re just about ready to turn the corner to the 2016 election. And you know, I’ve been thinking: what better place, than right here, to float an idea as good as this one? I’ll bet we could put together a really strong finance committee for a guy named Doug Oberhelman. So what do you think, Doug? Are you ready to enter the arena?

But seriously, we need to engage members of Congress in their districts, on the shop floors, in labs, in offices and in plants—so they can see the true value business brings to their constituents.

And the business community needs to speak with one voice—across industries—for a common agenda. The ultimate goal—growth—will benefit all of us, increasing demand for our products and allowing companies and the people of this nation to prosper for generations.

And above all, we need manufacturing voters to vote. Think about this: Of 123 million eligible voters in the 25 states that held primary elections in 2014, only 18 million cast a ballot. So, since 90 percent of congressional districts are not competitive thanks to radical gerrymandering, that means that a little more than 14 percent—the people who tend to be the most extreme partisans—are deciding the outcomes of elections.

It’s no wonder that we have gridlock in this town. From a purely reelection standpoint, there’s no benefit to working together. There’s no benefit to actually finding solutions.

But imagine this: 17 million voters whose jobs depend on the success of manufacturing, 17 million voters heading to the polls. And suddenly, we have a new electorate, one that secures commitments from candidates to support policies that increase growth, investment and opportunity. And then we have a new day in politics—a rising sun on an America that works again.

Ladies and gentlemen, these are our ideas for progress. These are our ideas to end the gridlock, to enact the right policies and to strengthen our nation. These are the ideas to reignite that beacon of hope, of optimism and of opportunity that has always lit our path forward. These are our ideas to guarantee American exceptionalism.

In this new journey, in this vital charge and in this challenge for the future of our nation, your advice, your counsel and your involvement are essential—to refine the NAM’s strategy, our tactics and our ideas. But, at the end of the day, we must act.
Washington will not change unless we change it.
America is at a turning point. Our leadership in the world is no longer certain. The American people are frustrated—and ready for change. The only choice is whether to drive those changes in the right direction—in the direction of free enterprise, competitiveness, individual liberty and equal opportunity—or whether we will allow others to determine our future.
Manufacturers do not let others craft solutions. We create them.
Manufacturers do not falter at a time of challenges. We meet them—and we overcome them.
Manufacturers do not shun leadership. Manufacturers lead, always have.
And, you know what, we will again.
that he felt he was created to do. Both men were skilled, both were gifted, yet only one of them seemed to enjoy his giftedness.

How about you? Do you enjoy your giftedness? Do you get into that groove when writing is sheer pleasure? If not, perhaps you are not yet writing out of your own truth, or the genre you’ve chosen isn’t a good fit for you right now. Do some exploring. Rediscover the joy of doing the work that your heart and mind were uniquely created to do.

Authentic joy in your work gives you emotional confidence. It also infuses your writing with energy that will resonate with your readers.

Principle 4: Stand Behind Your Work.

Believe in your work more than anyone else does, more than your mother does or your agent. If you have applied yourself to Principles 1, 2 and 3, then you can trust that you have produced a work of integrity. The word “integrity” comes from the same Latin root as “integer” and implies wholeness or completeness. Writing with integrity gives you a sure-footedness that helps you to overcome timidity. You can market your work with confidence and learn to speak about yourself and your work without apology.

Writing with integrity also changes your definition of success. If you’ve done what we’ve talked about, that is, written with authenticity and the authority of your own truth, and infused your work with the joy of knowing that you are doing the work you were created to do, then you can count yourself successful, before the first copy of your book is sold and without comparing yourself to other authors and their successes.

To sum up, there are four principles that can help you to “fan into flame your writing gift.” They are (1) Know Who You Are, (2) Use Your Own Voice, (3) Find Joy in Your Writing, and (4) Stand Behind Your Work.

I’d like to take the next few minutes to share with you the role these principles played in my having my first book published. This was a nonfiction book on forgiveness. The book describes what forgiveness is, why we all need it, and how we can begin to practice it.

I became interested in forgiveness while I was getting my master’s degree in counseling. I’d had a difficult childhood—I was abused physically, sexually, and emotionally by both my parents. I spent nine years in therapy, and I knew it was important to let go of my anger and resentment, but I did not know how to do that. So I researched forgiveness and wrote my master’s thesis on the clinical use of forgiveness in treating adult survivors of childhood abuse, like myself.

My treatment model won the Outstanding Graduate Thesis award, and I thought, There’s a book here! I could write a book for counselors to use with clients, and I’ll make big bucks!

For the next ten years I toyed with the idea. I’d write a chapter, do a little more research, then throw it all away and start over.

My problem was this: I wasn’t using my own voice. I was focused on writing a book that counselors would buy. I was looking for their approval instead of creating a work I could stand behind. In effect, I was using their voice instead of my own. And so my work was unfocused and stymied.

In my uncertainty, I debated with myself about whether I should write from a secular or a Christian perspective. I knew my beliefs were Christian, but I was afraid that if I wrote from a Christian perspective, non-Christians couldn’t use the work. On the other hand, if I wrote from a strictly secular point of view, the work would feel inauthentic and incomplete.

The turning point for me was to realize that I was paralyzed by my own fear. I was terrified to go public with my faith, to be transparent in my writing. I was afraid that people whom I respected would scorn or dismiss me. I was afraid that people would look at my imperfect life and accuse me of being a fraud—who does she think she is to write about this?

Once I faced my fear, I knew exactly what kind of book I needed to write. I got out my Bible and looked for connections between biblical truths and forgiveness. I drew on my personal experience in recovering from abuse, and I wrote out of the hope I had found in my faith.

The writing felt solid to me. I can say with confidence that I believe every word I wrote.

From start to finish, this book took me fourteen months to complete. I finished in December, and by February a publisher asked to read my manuscript. By March I had a contract. The whole process felt quite miraculous!

In the process of writing, I discovered that sweet spot, the joy of making connections, of seeing the angel in the marble and working to set her free. I also discovered a joy that I had not anticipated.

I’ve had the privilege of speaking about forgiveness and leading classes through my book. I remember my first book-signing event at a little boutique in Danville, CA. I spoke for about twenty minutes about my personal testimony and how I came to write the book. Afterward, they set me up in a cozy little room where women could come and sit next to me on the sofa, and I could sign their books. Each one who came wanted to tell me her story. In fact, every time I’ve given my testimony, at least one person has come up to me afterward and said something like, “I couldn’t believe it. Your story is just like mine. And if you can talk that way about forgiving after what you’ve been through, it gives me hope that I can, too.”

There is joy in knowing that your words can touch someone’s life in a meaningful and positive way. Whether your words are spoken or written on a page or digitized in cyberspace, your message—the expression of your vision, your truth—makes a difference. People are hungry, and they read to be satisfied.

Which brings me to my final point: Don’t take it personally if people don’t like what you’ve written. Your job is to write your vision, your truth, as clearly and as authentically as you can, whether you write fiction or nonfiction. You cannot control your reader’s
reaction to what you write. I know that some people are ready to learn about forgiveness, and others are far from it. That’s not my call.

My advice to you as writers is to write from your heart and then stand behind your work. Be willing to talk about it, blog about it, promote it. Boldly offer your vision to the world in a voice that only you can speak. I’d like to close with one last quote from our friend, Michelangelo. He writes, “The marble not yet carved can hold the form of every thought the greatest artist has.” To each of you—I wish you the joy and success of releasing the angel that you see!

Thank you.

WINNER: PHARMACEUTICAL

“Silver Bullet Playbook: Rewarding Excellence in Clinical Trials”

By John Santoro for Freda Lewis-Hall, MD, Executive Vice President and Chief Medical Officer, Pfizer Inc. // Delivered in San Diego, Calif., June 17, 2014

So here’s a question. How many of you watch the reality show Shark Tank?

(WAIT FOR AUDIENCE RESPONSE)

If you’re familiar with the program, you know how The Sharks—a collective of American venture capitalists—probe even the simplest business propositions.

Now, imagine that we, in the pharmaceuticals business, were presenting to them. On air.

We’d come out in our best business clothes and with our best sales pitch.

“We have a potential new therapy for cancer.”

The eyes of The Sharks light up!

“It will take us 10 to 15 years to prove that our therapy is safe and effective.”

Their eyes go wide, and then, get narrow.

“And there’s a possibility that that our idea will fail in the last stages of testing.”

You see the veins starting to bulge in their necks.

“Oh, and we may need about two billion of your dollars to develop it.”

It’s there that the show has to go to commercial, as The Sharks run you off air.

(SHORT PAUSE)

We in biopharmaceuticals have one of the most challenging business models in industry.

It’s the perfect storm of all things difficult and expensive: a high-risk, high-investment, long-lead-time model.

The process of getting a new medicine or vaccine proven safe and effective is daunting. The decision to move ahead to widespread clinical trials of a proposed therapy is one of the most difficult and closely followed decisions companies like mine have to make.

What we call Phase 3 clinical trials—testing a proposed therapy in sufficient numbers of human volunteers—are often long, complex and expensive—and is arguably the most difficult R&D process outside of space travel.

(SHORT PAUSE)

Now, imagine that we could take one step to speed up that daunting clinical trial process. One tangible step, one action within our grasp, right now.

Imagine that step is as commonsense as focusing recognition and rewards on the independent clinical trial investigators who do clinical trials right, that is, to commonly accepted standards of excellence.

If we could do that, then drug developers could put more compounds into clinical trials. More input generally means more output—more in the way of high-value new therapies.

In order to provide the right recognition and rewards for excellence in clinical trials, we have to think through what excellence looks like.

How do we know that a clinical trial site is “excellent”?

I submit that we approach this question the same way we approach our thinking about excellence in many other important institutions in our lives.
our shareholders get to vote every year on which independent accounting firm to hire.

And the auditors in that firm—they too have to be certified as knowledgeable about financial systems and capable of uncovering fraud and abuse.

In all of these cases, certain standards are expected to be met. Accreditation helps to guarantee that they are met.

I doubt any of us would go to an unaccredited hospital, enroll in an unaccredited university, or invest in a company unwilling to hire a certified public accountant.

Accreditation means something. It means a lot. It can be a reliable, confidence-building, positive force for evaluating an institution’s performance over time. It can help ensure that all the systems inside an organization are working in concert, as planned.

(SHORT PAUSE)

With all this in mind, think of the clinical trial process as it stands today. It’s at the heart of biomedical innovation. It’s the way we prove that our scientific theories work, and that our medicines and vaccines are safe and effective.

The clinical trial process we know today came into being in the late 1940s.

By the mid-1960s, experts were already raising alarms that the process was falling behind the pace of biomedical discovery.

Fast-forward a half century, and things haven’t changed much.

We can now submit our data electronically rather than through a truckload of paper files, but our capacity to execute clinical trials effectively is being stressed by the progress of biomedical innovation.

It often takes years to recruit investigators and patients. There’s tremendous duplication of effort, which, by some estimates, wastes up to a third of the investment in a clinical trial.

It’s no wonder that companies like Pfizer now steel ourselves for years of hard work—and perhaps a couple of billion dollars of investment—for each therapy we decide to take to Phase 3.

One of the alarming realities of the current system is the turnover in the clinical research sites.

For 70% of them, it’s “one and done”—one clinical trial, and out.

That’s turnover you expect in the fast food business, not in biomedical research.

Think of it this way. Imagine you own a major league baseball team. You invest in players, and further, you invest in a minor league system to develop those players.

Then, when the players are finally ready, you bring them up to the majors. Where 70% of them play one year, then quit.

Could you imagine what the quality of major league baseball would be if seven players out of ten quit after a year?

(SHORT PAUSE)

So what does excellence look like? It looks like accreditation. It looks like a well accepted, well understood approach to promoting and sustaining excellence in clinical trial sites.

This approach would include dimensions we take for granted in other areas of our lives. Uniform global standards. Independent, third-party accreditation. And rewards and recognition geared to results.

Get the first two right—uniform global standards and independent third party accreditation, and I can almost guarantee the third.

To paraphrase the famous line from Field of Dreams, “Build it and they will come”…think “Build it—the high quality clinical site with verifiable standards—and we will pay”…with “we” being the inventors of new medicines, diagnostics and devices.

Biomedical innovators would be wise to pay a premium to clinical sites that prove, time and again, consistent excellence in their operations and reporting. That premium will be well worth it over the constant “re-inventing of the wheel” approach we see now.

So all this brings us to you… to this meeting…and to this moment.

The Alliance for Clinical Research Excellence and Safety—what you know as “ACRES”—has done the groundwork for a new approach to promote high, uniform standards in the clinical trial process, for all the reasons I’ve just offered.

This groundwork is summarized through SASI—the Site Accreditation and Standards Initiative—which you are here to help build.

You bring us the global perspective, which is absolutely essential, given that many more clinical trials are being done outside the United States, and this trend is only going to accelerate.

For one thing, we can’t do trials for diseases of the developing world in the developed world… and for another, we want to diversify the base of patients volunteering for clinical trials.

For accreditation to work, it has to work globally. It also has to work for sites big and small, because we need both, given the increasing demands of biomedical research.

We are not looking to shut sites out, or to make the standards so onerous that only a few sites will seek accreditation.

We want to find the right formula, the right balance. We want to accommodate sites all over the world that are ready and willing to strive for consistent high quality.

Clinical site accreditation isn’t a silver bullet, but it’s perhaps most important single step we can take, right now, to improve the speed, efficiency and quality of clinical trials—and by extension, drug development.

SASI is gaining momentum. Its first phase is complete. We have the foundation in place.

Now we are launching the second phase, starting here with you. Your thinking will shape the standards for personnel, facilities, management, information technology, quality, integrity and patient recruitment.

SASI is now at what the ancient Greeks called, “The Kairos (KAi-rose) Moment”—the most opportune moment for action.

It’s the time when an opening appears, and when we have to capitalize on momentum if we are to achieve success.
This is that moment. It’s our moment. If we can push ahead, together, then we can make real progress in speeding up the flow of new therapies through clinical trials.

We’ll have a system that makes much better use of skills and knowledge of thousands of independent investigators around the world, and a system that honors the volunteers at the heart of biomedical research.

We will be able to cut into the estimated 30 percent of our investment that is simply flushed away in duplication and waste.

We will have a system that accelerates the time needed for executing a high-quality trial, and that brings more medicines, and safer medicines, to more patients, more quickly.

All this starts now, and all of it starts with you. It’s a huge mandate, but to quote another famous line: “Failure is not an option.”

**SHORT PAUSE**

In closing, let me compare what you are doing at this meeting with the accomplishments noted at another meeting nearly 70 years ago.

Late in 1944, delegates from 52 nations gathered in Chicago to ratify the world’s first set of uniform standards for commercial aviation.

These delegates had worked in teams to determine how air travel could be made safe and efficient, everywhere.

Even though World War Two was still raging, it was clear that when the fighting stopped, the age of civilian air travel would begin.

Just about everything we take for granted today, from the standards for pilots to the layouts of airports—were finalized by the participants in that meeting, 70 years ago.

Today, because of its high standards, air travel is the safest way to travel in the world.

You have a much greater chance of getting killed on the roads to and from your airport—than you do during air travel itself.

The system ratified by the delegates at the Chicago Convention of 1944 has proven to be durable and effective.

Thanks to their foresight, you can travel from this room to anywhere in the world in roughly 24 hours, in relative comfort, and in almost total safety.

I fully believe that ten years from now, we will view your conference the same importance we accord to those delegates for helped forge the standards for global air travel.

The stakes are just as high—if not higher.

The global age wave brings us devastating diseases to conquer, most notably, Alzheimer’s, a disease that will bring us to our knees, if we don’t intercept it soon.

To fully meet the challenges ahead, and to open the doors to new golden age of medicine, we need all of you to go “all in” on SASI.

Your work this week, and in the months to come, is worth every ounce of your wisdom and energy.

Together, you can help pave the way for a new golden era of medicine, one without precedent in history.

Go forward and seize the moment. It’s yours to take, to the benefit of all humanity.

Thank you.

“Here’s to the crazy ones. “The round pegs in the square holes. “The ones who see things differently. “They’re not fond of rules. And they have no respect for the status quo. “And while some may see them as the crazy ones, we see genius. “Because the people who are crazy enough to think they can change the world, are the ones who do.”

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I bet every person in this room recognizes these words from Apple’s 1997 advertising campaign, “Think different.”

A TV commercial helped Steve Jobs launch one of the greatest turnarounds in business history.

This commercial began by saluting a long line of revolutionaries—the “crazy ones” like Albert Einstein. Dr. Martin Luther King Jr. And Amelia Earhart.

People who changed the world.

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Think different. I believe that’s exactly what our industry needs to do—think different—about a universal challenge we all face, whether we’re a call center, contact center, order processing center or service center; customer experience team or customer service team; help desk or technical support group.

What is this so-called universal challenge we face?

You know it because you’ve complained about it. You’ve suffered through it. And you’re still frustrated by it.

It’s called high turnover. And it’s everywhere!

No service center is really immune from the headache—and the heartache—of high turnover. Every day I talk to managers around the country, and here’s what they say:

• “Three people quit even before they finished training.”
"Jessie was a no-call, no-show. What do we do about that?"

"Kevin’s leaving for someplace else paying 50 cents more an hour."

"Josh seemed so great when we hired him. But boy, were we wrong."

Hiring the wrong person is the root cause of high turnover. It causes us embarrassment. Frustration. Lots of time. And way too much money.

Across our industry, turnover can be as high as 50 percent a year. And if you’re in collections, sales or outbound telemarketing, turnover can be as high as 100 percent—or more—a year.

I don’t need to tell each of you what happens when turnover’s high. You already know.

It drains your team’s morale, your center’s productivity and your supervisors’ time. It forces you to spend more money on advertising, interviewing, onboarding and training. It corrupts your institutional memory of best practices and lessons learned. It damages the customer experience, so you lose sales. And it puts your service center at risk for being shut down—and sent offshore.

But here’s the reality:

High turnover goes with the territory. Or, "We've tried; there's nothing we can do about it." And, "It's the way it's always been."

I hear service center managers say, "High turnover goes with the territory." Or, "We’ve tried; there’s nothing you can do about it." And, "It’s the way it’s always been."

How sad is this?

Why do we—as supervisors, hiring managers, HR directors and vice presidents—just accept it as "a fact of life" that our service centers will always have high turnover?

Why do we tolerate the status quo as a given? A truth? An absolute?

Why do we get complacent rather than take the time to figure out a better way?

There are plenty of reasons, and they’re all very real.

If you’re leading a service center, your time’s already consumed with managing people, balancing a shrinking budget and deciphering the latest technology, metrics, rankings and analytics.

If you’re in HR, you’re busy keeping your service center staffed. But you’re also hiring for executive positions, administering benefits, mediating employment issues and launching corporate initiatives.

So it’s easy to feel overwhelmed.

And to dismiss high turnover as a problem without a solution.

But here’s the reality:

You can change the status quo.

That’s exactly what we told an inbound service center right here in Columbus—with 90 percent turnover a year—while its employees were among the highest paid in our region.

Think about that for a minute.

High turnover—with highly paid employees?

Clearly it wasn’t about the money!

There were lots of problems:

• Different managers were using different hiring criteria—so hiring was inconsistent.

• People’s skills didn’t match their roles—so they were failing miserably.

• It was taking 12 weeks to get a new employee on board—so the best candidates accepted other jobs, because they just couldn’t wait any longer.

This company was doing what so many others find themselves doing: going through the motions, hiring a dozen people right out of college or long out of work, hoping and praying one or two will “stick.”

Something had to give.

So instead of throwing money at technology or more training, company managers did one simple thing.

They changed the way they hired.

They decided to start really screening people—at many different levels—to find the right person for each open position. Most service centers don’t screen at many different levels (but they should!) since 60 percent of all turnover happens in the first six months.

Really great screening goes way beyond background checks, reference checks and drug screenings—although these are still very important.

I’m talking about other things like position profiling, skills and personality testing and in-depth behavioral interviewing.

Screening like this can help predict whether there’s a really good match between a service center and a candidate, long before the employee’s on the job.

But first things first.

Before InnoSource helped that company screen at this level, we had managers determine exactly what made their company a unique place to work.

They dug deep, answering questions like:

• What is our culture?

• What does our work environment look like?

• What are the policies and procedures we live by?

• What are our management philosophies?

Managers also had to agree on the requirements for each open position. So we asked more questions, like:

• What are the expectations for this position?

• What software must people use?

• What education is required?

• What work history is expected?

• What are the opportunities to advance?

• What are the shift hours?

• And is the schedule flexible?

We even asked this question: What are the characteristics of a successful employee based on what we already know about our top performers?

For example: What do we expect for their cognitive ability? Their reliability? Their personality traits?

Here’s one thing we learned: Agents helping the internal sales team needed one set of skills and personality traits, while agents helping customers needed a completely different set of skills and personality traits.

Only after we understood exactly what made this service center unique—and all the expectations for each open position—did we proceed with resume screenings, telephone screenings, customized skills tests and very specific behavioral interviews based on everything we’d learned.

What made this hiring process so successful?
Active custom searches and active custom matches. Of every 10 hires, eight came from the employed workforce. Not from a “bench.” Not from a “database.” And not from a “pool” of candidates.

Make no mistake: The right screening process made all the difference!

It helped us move candidates from a firehose into a funnel, so company managers had to interview only the ones most likely to succeed in their environment.

We helped this company find high-quality employees with long-term career aspirations—people ready to thrive in that culture—not just “warm bodies” needing a job.

And it worked. Employees were hired within three or four weeks instead of 12. Turnover declined from 90 percent to 10 percent. Managers finally had the right employees in the right roles—being responsible, taking ownership and solving problems—so morale increased. And because calls were addressed quickly, customer experience improved.

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At InnoSource, we see it over and over again, every single day: The more screening you do, the more likely you are to hire right—and reduce turnover. And reducing turnover improves the customer experience.

So think different!

More training and more technology won’t solve your turnover problem. But the right hiring will.

Can you imagine the possibilities for your service center if you changed your hiring process? If people were screened ahead of time so you only had to interview the very best candidates?

And if you hired right the first time, how would that change the customer experience? How many more customers could you retain? How much more revenue could you generate?

We can learn a lesson from Alfred Sloan, the former General Motors CEO, who once told management consultant Peter Drucker why he spent so much time on entry-level new hires.

Mr. Sloan said to Mr. Drucker: “If we didn’t spend four hours on placing (someone) and placing (them) right, we’d spend 400 hours on cleaning up our mistake and that time I wouldn’t have.”

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You have the power to change the status quo.

Steve Jobs did it in 1997 when he launched the famous turnaround of Apple.

He convinced us it was good to be a little crazy. To see things differently. Throw out the rules. And forget the status quo.

He convinced us that change is good because it pushes the human race forward.

I believe if we have any hope of moving our service centers forward—from good to great—we must change the way we hire our people.

Some might think it’s crazy. But others will see genius.

What will you see?

But more importantly—what will you do?

Will you think different?

Will you be someone crazy enough to change your world?

Have you ever been given a set of facts, and based on that evidence, come to a conclusion that made you believe you were absolutely right?

A few years back a defense attorney contacted me to ask if I would be an expert witness in a case involving an aspiring rapper who had been charged with making a terrorist threat. This would be my first official expert witness case—so I jumped at the chance! And as a Professor of Criminology as well as a Rap Music Scholar… I could hardly wait to share my expertise.

So as soon as I received the evidence, I immediately got to work. Now, the entire case came to trial as a result of these 6 short lines of text—and here’s how they read:

glock to the head of SEND $2 to . . . . paypal account if this account doesn’t reach $50,000 in the next 7 days then a murderous rampage similar to the VT shooting will occur at another prestigious highly populated university. THIS IS NOT A JOKE!

OK, admittedly these words sitting on the page all by their lonesome make it pretty darn easy to jump to a conclusion about what this rapper was up to, right? And I’ve got to admit that when I read these words for the first time, even my gut reaction was—this guy is so guilty!

But I knew from my years of research that you can’t pass judgment until all the evidence has been reviewed.

So I began by trying to figure out how these words had landed in the
hands of the Southern Illinois University campus police. One day while on patrol, the campus police spotted an abandoned car, searched it, and found typical college student possessions inside—along with a piece of paper inconspicuously tucked between the driver’s seat and the center console.

On one side of the folded up paper were the 6 lines of threatening text. And when you flipped the paper over, there were lines after line of what appeared to be rap lyrics—such as:

- let them bootie cheeks hop, so
- Pop it mami pop it
- I’ma do it like this daddy
- follow that thang to da ground when she drop it.

(Probably not a song destined for the top 40, right?)

The minute I saw these rhyming rap lyrics on the opposite side of the threatening text—I had a sneaking suspicion that this college student was not a plotting terrorist, but most likely an aspiring gangsta rapper.

However, that’s not how the police saw it... these 6 lines of text were enough evidence to get a search warrant, and comb through the defendant, Olutosin Oduwole’s, campus apartment. Inside they found several other notebooks filled with his violent and misogynistic rap lyrics and... a handgun.

As a result, the police charged Oduwole—a college student with no prior convictions—with attempting to communicate a terrorist threat. While Oduwole admitted to the gun possession charges, he adamantly denied he was a terrorist planning to carry out acts of violence. Oduwole stood by his story that the text was simply notes for a new rap song.

In preparation for testifying, I reviewed hundreds of pages of evidence from Oduwole’s notebooks.

As I painstakingly analyzed the notebook evidence line by line wading through stanza after stanza of misogynistic and violent lyrics, I would land upon an occasional random page—notes from class, a letter to a girl, and the terms of the rap contract Oduwole one day dreamed of landing.

After careful review of these notebooks I came to the conclusion that Oduwole was unequivocally NOT a terrorist. He was just a wanna-be rapper whose offensive and shocking lyrics were—out of a fear of terrorism—being completely misinterpreted.

Trial day arrived and after months of research on this case, I was ready to share my findings—that is, until I entered the courtroom and stood face to face with an all-white, middle-aged jury. It was 2011... I could barely believe my eyes.

But despite the lack of diversity, I was sure the evidence would prevail. So when I took the stand, I spent two hours educating the jury on the finer points of gangsta rap—for example, in the rap world the more violent the lyrics, the more respect you’ll have in the rap community. And the more misogynistic and violent your music? Well, the more songs you’ll sell. Considering the business, it was no surprise that Oduwole’s lyrics portrayed a violent persona and the glorification of guns—both of which are staples of gangsta rap.

I also pointed out that not all lyrics rhyme or flow—and that the 6 lines of text that the prosecution had rested their case on could be what’s referred to in the music business as an “Intro or Outro”—or unrhymed spoken words that either introduce or conclude a song to give it more edge or make it more memorable.

In my professional opinion, the 6 lines of text were most likely ideas or concepts for a song, or... were the Intro or Outro to a song—not a terrorist threat.

When I left the stand I was completely confident that I’d gotten all my points across and compellingly delivered my ideas.

And in just three short hours—the verdict. Guilty.

Oduwole was sentenced to 5 years and immediately whisked away to prison.

I was completely stunned. How was the jury unable see the truth?

For weeks I replayed the case over and over in my mind—how was the prosecution’s argument more persuasive than my highly researched evidence?

And then it dawned on me—while I had presented the cold, hard facts... the prosecuting attorney dialed up the courtroom emotion and played to the jury’s fears. At one point he actually slammed down Oduwole’s gun on the witness stand, leaned in close, stared me dead in the eye, and asked, “Now does THIS GUN change your opinion about what is written in the 6 lines of text?”

It was in that moment it became clear how the prosecution swayed the jury—emotions trump logic every time.

And the power of emotions lead me to this question—would this case be the same if the defendant was white?

I mean think about it —

STUDENT + WHITE MALE + RAP = WANNA BE RAPPER

But if you add GUN to the equation, well... that white student has lost his way, and needs counseling.

On the other hand, if you swap out black male for white it adds up to this:

STUDENT + BLACK MALE + GUN = HEADED FOR TROUBLE.

And if you add GUN, well... then he’s certainly = A THUG, DESIGNED FOR PRISON.

It’s been three years since I testified in the Oduwole case—and since then I’ve wondered...is he the only aspiring rapper this has happened to?

Knowing the system failed this young man and sent him to prison for terrorism troubled me to the core—and thankfully, I was not alone.

The verdict drew widespread scrutiny from first amendment rights’ attorneys, journalists, musicians, and academics alike. There were op-eds featuring this case, including several by an assistant professor at the University of Richmond who specializes in rap and hip hop culture.

Within short order this professor and I joined forces and discovered that rap lyrics are showing up with alarming regularity as evidence in courtrooms across the country—in fact, our research has uncovered hundreds of these cases.
And what’s so crazy is that it’s virtually unheard of for musicians outside of rap to have their lyrics introduced as evidence against them in court—not for rock, not for punk, not EVEN for heavy metal.

Over the last year my colleague and I have publicized our research findings—and just last month, we wrote a brief to educate the Justices about gangsta rap for a rap lyrics case that will soon be heard by the U.S. Supreme Court.

In all our work, we argue that rather than treat rap music as an art form, in these cases prosecutors portray rap lyrics as autobiographical—in other words, they want the jury to believe that these rappers are just sharing the stories of their lives.

The trouble with labeling rap as autobiographical is that the characters being portrayed in rap music are often nothing like the actual artists.

Seriously, if rappers were guilty of even the tiniest fraction of violence they project in their music, well, we’d all be in really big trouble.

And in some cases like Oduwole’s, the lyrics themselves are the crime—being positioned as an imminent danger to the public. But no matter the prosecution’s tactics, introducing lyrics as evidence in court...almost always results in unfair prejudice.

Unfortunately, this fact isn’t always clear to judges and juries—

In case after case, the results have been devastating for the accused—defendants have been found guilty and sent off to prison.

But why?

In an experimental study, a social psychologist presented two groups of diverse subjects with an identical set of violent lyrics.

The first group was told the lyrics came from a rap song, and the second...from a country song.

What was discovered was the first group—who was told they had rap lyrics—found the words to be more threatening and dangerous... compared to the group who was told they had country.

Even though the lyrics on the page were exactly the same, each group likely had preconceived ideas about both types of music—country is made by good-old southern white boys while rap is made by urban black criminals.

So essentially what happens is... by the prosecution playing with the jury’s preconceived notions about rap music, they also tap into race—which ratchets up public fear and reinforces old and new stereotypes about young men of color as inherently dangerous and threatening.

Which leads me to this—

Are these increases in rap trials just another sign that racism in this country is alive and well? And how many more false convictions and acts of violence—against our own people—will it take before we say... enough?

For me the tipping point will arrive when we admit as a country that we’re still playing out old racial stereotypes.

Then—and only then—is when we’ll begin to heal from our collective and historical wounds. We have to remember—and never lose sight of the fact—that our nation and its people are one; indivisible, with liberty and justice for all.

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WINNER: DIVERSITY
“The Hispanic Contribution to Oregon: A Story”

By Roy Kaufmann for John A. Kitzhaber, Governor, Oregon Delivered at the Hispanic Metropolitan Chamber Annual Dinner, Portland, Ore., Sept. 4, 2014

Good evening.

[pause]

Shortly after New Year’s Day in 1991—one of you remember then; some of you, it appears, were busy being born—a young Mexican immigrant was freed from an Oregon prison where he had been held for nearly five years.

Sentenced to 10 years to life in prison for a murder he allegedly committed in 1986, his trial had lasted just 10 days. Many of the jurors expressed regrets and doubts almost immediately after the trial concluded.

You see, it turned out that the young man, Santiago, had been afforded an attorney, but one that hadn’t informed Santiago of his rights. He had been afforded an interpreter for his trial, but Santiago spoke no English and very little Spanish.

Though he had come to America from Mexico, Santiago was Mixtec Indian; he spoke Mixteco, a not-insignificant detail, which explained why the only words he uttered during his entire trial were his screams of “¡No es posible!” after his verdict was announced.

So, Santiago continued to plead his innocence from his prison cell, and each appeal was denied. In the meantime, he learned English. He earned his G.E.D. He sang in the church choir. He won a prison poetry competition.

With the help of some concerned citizens, and the attention of a young reporter at The Oregonian, Santiago’s story spread.

Nearly four years after going to prison, he was granted a post-conviction relief hearing. And the attorney who represented him, and ultimately provided the expert testimony that gave Santiago back his freedom, that attorney’s life changed forever, as well.
The case revealed serious shortcomings in our state’s judicial system, especially in the handling of non-English speakers. It changed how Oregon assessed, certified and assigned interpreters. And it changed the lives of not just the exonerated man and his attorney, but of countless others.

That attorney would go on to become the first Hispanic American elected to statewide office in Oregon, the first Hispanic American to serve on the Oregon Supreme Court, and the first Hispanic American to serve as Chief Justice of the Oregon Supreme Court, the Honorable Paul de Muniz.

Santiago would go on to earn his social work degree, fight for the rights of migrant farmworkers, and serve on the Oregon Commission on Hispanic Affairs. Santiago Ventura Morales.

We’re fortunate to have both gentlemen with us this evening. Paul, Santiago, please stand up so we can acknowledge you.

One can little doubt that the story could have ended very differently, were it not for the actions taken by good people, like:

- Donna Spelack, who took up Santiago’s cause day and night;
- John Haviland and Lourdes Leon at Reed College, who explained that in Mixtec culture, a young person would avoid eye contact with elders, a gesture that might convey guilt in our culture, and exactly what Santiago did when he was arrested;
- Barnes Ellis, the Harvard-graduated Oregonian reporter who decided to tell Santiago’s story;
- and like the president of the University of Portland, who awarded Santiago a full scholarship, again changing the trajectory of Santiago’s life.

Tonight, as we come together to celebrate the many contributions the Hispanic community has made to the state of Oregon, let us remember that contributions come in many forms. Some are easily quantifiable; others are not. Some are small; others are bigger than we can imagine. But every contribution—from opening a new business to changing a law; from giving a scholarship to revealing a prejudice; every contribution matters.

One of my favorite things about the Hispanic Metropolitan Chamber is its focus on paying it forward, on bending ears and twisting arms and raising millions of dollars to help the next generation go to college, prepare for their own prosperity, and build toward a time when they will, in turn, pay it forward for the generation behind them.

For the past three and a half years, my administration has focused on where and how state government can contribute to genuine, real, lasting equity in Oregon.

- We’ve focused on the big pieces, like increasing funding for education, highlighting the need for better early learning, delivering increased grant funding for community college, and making full-day kindergarten available to every child in Oregon, starting in 2015.

- We’ve identified and achieved changes in areas like sentencing reform and access to drivers’ licenses, changes that will make life safer for not just Hispanic Oregonians, but for all Oregonians;

- We’ve welcomed child migrants when other states have barbarically protested and refused them, supported DREAM-ers when others have wanted to deny them;

- We’ve made health-care and coverage more affordable, driving down the number of uninsured Oregonians and leaving more money in Oregonians’ pockets to spend on other needs;

And, we’ve focused on more ways to support Oregon’s small businesses and entrepreneurs, because small businesses are the lifeblood of our state.

Over the next four years, we’ll have even more work to get done. We’ll need to recruit, retain and nurture more teachers, especially minority teachers. We’ll need to tap into the creativity and energy of every generation and every community to find and develop new sources of energy, new ways of developing communities while protecting our ancient resources.

And the fact of the matter is, we can only do it if the Hispanic communities of Oregon—the fastest-growing segment of our population—come to the table, fight for your interests, and help us deliver on the promise of a better Oregon for everyone, period.

I recently came across a wonderful Spanish proverb: “Una mano lava la otra, y ambas la cara.”

We can only achieve the goals we set if we work together. I ask you to help me with the work ahead.

In closing, congratulations to all of this evening’s award recipients. Thank you to the Hispanic Metropolitan Chamber, its tireless staff and dedicated board members. Your work is always noticed and appreciated.

And a special thank you to one award recipient in particular, my own education policy advisor, Dani Ledezma.

Dani—your passion for your work, and your ability to build bridges and drive the agenda, are invaluable, to me, to the office, and to the educators, administrators and students of Oregon.

Thank you.
Ladies and gentlemen,

On April 11 1970, Apollo 13 was launched from the Kennedy Space Center in Florida. Destination: the moon.

Two days later, the flight controllers back at Mission Control in Texas heard Commander Jim Lovell say loud and clear: “Houston, we’ve had a problem.” An oxygen tank had exploded, bringing the on-board production of electricity and water to a halt.

When disaster struck, Apollo 13 was still on its way to the moon.

The three astronauts were 200,000 miles from Earth, and they were in trouble.

Oxygen levels were declining and power was at a minimum.

The crew decided to shut down the entire command module and move to the lunar module which was still attached—even though it had never been developed for this purpose.

To have a chance of survival, the heating had to be turned off and the astronauts needed to replace the lunar module’s air filters with the filters from the command module. But the modules had been built by different manufacturers and the filters were not interchangeable.

The astronauts improvised a solution with cardboard and sticky tape.

There was another problem: returning to Earth. With the main engine out of commission, the astronauts had to use the lunar capsule’s engine to maneuver into orbit around the Earth. But they were unable to use the navigation computer and the lunar module’s control computer was not equipped to steer the 30-ton command module.

The crew now had to steer and implement course corrections manually, plotting their position in relation to the stars and the position of the Earth. Once they had re-entered Earth’s orbit, they then had to crawl from the lunar capsule—which was not built to withstand a re-entry into Earth’s atmosphere—back into the crippled command module.

They succeeded.

On April 17, Mission Control in Houston announced splashdown in the Pacific Ocean near Samoa.

All of the astronauts survived.

Ladies and gentlemen,

The pilots of Apollo 13 were extremely well trained.

Commander Lovell had three space missions and almost six hundred space-flight hours under his belt. The entire crew had gained plenty of experience on test flights.

And yet, 200,000 miles from home, they found themselves in a situation that tested not only their knowledge but also their skills to the very limit.

It took all the creativity, collaboration and communication they had to give.

It took every last ounce of their courage, endurance and flexibility.

It called on every human quality they possessed.

In that light, it is hard to see the Apollo 13 mission as a failure. Rather it is a wonderful example of man’s ability to tackle unprecedented problems in uncharted territory. How human resourcefulness and technology interact. And how knowledge, skills and training go hand in hand.

This brings me to the reason why we are here today.

Though we have no idea what the world will look like in thirty years’ time, it’s a safe bet that we will need to rely on the same skills that stood the Apollo 13 astronauts in such good stead.

It is a challenge faced not only by young people but also by adults. In today’s society, it is no longer about training for a particular career; we are all engaged in lifelong learning.

In order to set the course of the Starship Education, we will have to enter into a meaningful dialogue about our purpose, our destiny. And about the route we will take to get there.

In recent years, we have seen a strong focus on literacy and numeracy. These areas remain important. But there is so much more to learning. Students who have difficulty with such basic skills still have a great deal to offer. Tapping into that potential calls for a broad approach to learning.

The Netherlands has always been a land of free thinkers and creative minds. We are not only a nation of merchants and church ministers, but we are also a nation of artists and inventors. Our country has risen to prominence thanks to a winning combination of team spirit and can-do pragmatism. You could even call it ‘creative pragmatism’ or ‘practical creativity’. It is something we can still pride ourselves on today.

Last year, a report by the PIAAC revealed that young people in the Netherlands are among the very best in the world when it comes to problem-solving. I recently saw this in action at the international World Skills contest, where a team of three Dutch boys took part in the Manufacturing Team Challenge. They built a recycling machine for cans and bottles, and their efforts were rewarded with a bronze medal.

Teamwork. Coming up with creative and pragmatic solutions, as a craftsman or as a scientist: you might say it’s in our blood.
The current cohort of vocational students at the Instrument Makers' School in Leiden are continuing the rich tradition of Huygens, Van Leeuwenhoek and Spinoza, thinkers who built their own microscopes and ground their own lenses 350 years ago.

After the havoc wreaked by Hurricane Katrina, engineers from Royal Haskoning DHV, many of whom were educated at Delft University of Technology, were stationed in New Orleans to develop new flood defenses. Those engineers were standing on the shoulders of the sixteenth-century dike wardens who reclaimed the land of the Rhine-Meuse delta.

Another example is Ambient Experience, a line of products that makes hospitals less intimidating places for patients and more pleasant places for people to work in: it would not exist without the nineteenth-century innovations at Philips' very first light bulb factory.

With such an impressive track record, I firmly believe we have what it takes to meet the demands of the future. But plugging into this potential means taking an innovative and creative approach to talent, financing, ideas, and opportunities. It means building on our heritage in order to take on the challenges of the day after tomorrow.

Earlier this year, The Economist published an article about how innovation always leads to people losing their jobs. It described how professions become extinct, and how other jobs always appear in their place.

The town crier has transformed into a multimedia designer.

The surgeon has become a health technologist, and in ten years' time may well evolve into a nano doctor or designer of body parts.

The rag-and-bone man of the past could well be the urban miner of the future, extracting precious metals and minerals from waste, buildings and products in order to recycle them.

So there is no reason for us to cling to a nostalgic longing for historical craftsmanship. If anything, we have every reason to look to the future with confidence.

Confidence in our manufacturing industry: from the milking robots developed by Lely Industries to the offshore equipment and cranes built by Huisman.

Confidence in craftsmanship in all its forms: from Floris van Bommel's elegant footwear to the bold designs of students from the Sint Lucas creative community.

And confidence in cross-overs as an inexhaustible source of creative and economic opportunities. In recent years, this same confidence and optimism has seen the derelict factories and abandoned industrial sites of Van Nelle, Philips, Verkade, Caballero and Shell transformed into breeding grounds of creativity and incubators for technological activity. Places where people make things, think up new ideas and put them into action.

We not only need to recognize opportunities. We also need to create them. But this does not happen automatically. We cannot make it happen at the flick of a switch. It requires foresight, adaptability and ongoing training. It calls for an active, alert attitude.

We have known for some time that administrative and routine jobs are increasingly being taken over by computers and robots. But current research shows that nowadays jobs in the service sector are also becoming much more vulnerable.

Thanks to pattern recognition, big data, and robotics, computers are able to perform ever more complex operations, often more cheaply and more effectively than humans can. However, there are always consequences attached.

Take airbnb, for instance, an online company that helps homeowners rent accommodation to tourists. It's a charming initiative, but nonetheless one that poses a threat to the jobs of hotel cleaners and doormen—after all, the hotel sector is a major employer of people who are not highly qualified.

And then there is the danger of social inequality. For the skills that are least vulnerable to automation—creativity, lateral thinking, leadership qualities, originality, social interaction—are often the domain of the better educated.

In the future, such divisions will no longer be tenable.

Ladies and gentlemen, a space suit does more than simply enable astronauts to survive outside of the Earth's atmosphere. It also gives them the opportunity to carry out research in that demanding environment, to work, to contribute to solutions.

If we look at the developments in the labor market and in society, there is only one possible conclusion: we all need a space suit of sorts. We cannot simply concentrate our efforts on the highly educated and the exceptionally talented.

That brings me to my first proposition—the first element of a three-stage rocket to bring the Starship Education on course: education is the key to equipping each and every member of society.

The Netherlands' Scientific Council for Government Policy has made a clear statement that holds great appeal for me. It emphasizes the need to handle people with care and to make the best possible use of their potential. Innovation comes from everyone: that is the Council's message. Everyone has the right to develop and we need all these different perspectives to create new combinations.

Nowadays we not only need to connect knowledge and human capital, we also need to capitalize on this connection.

Philosopher Martha Nussbaum calls this 'the capabilities approach'. What are people capable of? What realistic opportunities do they have? Such an approach seems to me crucial if—like Apollo 13—we are to emerge from the dark side of the moon.

In his inaugural speech last year at VU University Amsterdam, Professor Anton Hemerijck spoke of the positive effects—on individuals and on society—when we equip people from an early age by investing in good education and in training them to the highest possible level.

If we use education as a tool to make people strong and resilient from
an early age, they will be less reliant on government. And there will be less need for us to repair shortcomings after the fact by means of subsidies, regulations and benefits.

In essence, Professor Hemerijck’s message is that a nimble economy requires resilient workers and citizens. Equipping people effectively for the job market therefore means preparing everyone for a lifetime of learning.

The point is that social advancement through education is not as natural a progression as it was in the 1950s and the decades that followed.

Two years ago, the Council for Social Development warned that the contours of a class society based on education are once again emerging. For example, we know from research that pupils at the lower levels of secondary education are keenly aware that they are at the bottom of the hierarchy.

That is a painful realization when you consider that for many children reaching that level of education is the culmination of eight years of hard work and perseverance. For one child a marginal pass is the mark of a lazy underachiever, while for another it is the hard-won result of tremendous motivation.

A class society based on education exists partly by the grace of the value we attach to knowledge. But if we want an education system that makes the most of people’s qualities and abilities, we need to move toward a broader focus on learning.

Toward an education system in which knowledge, skills and personal development are in balance and are appreciated in equal measure.

At all levels. For each and every one of us.

This brings me to my second proposition, the second stage of our rocket: skills as preconditions for imagination.

As I see it, skills represent more than simply the answer to an ever more demanding labor market.

They are also the catalysts for combining existing knowledge in new ways, in order to arrive at pragmatic solutions.

And an essential part of encouraging young people to develop into well-rounded human beings.

I see education in the fields of culture and technology as vital auxiliary engines, thrusts that can steer us on our way. From an early age. And at every level: from vocational to academic.

Good cultural education goes further than enabling children to discover beauty. It also challenges them to develop a creative, inquisitive attitude. A flexible and open mind. And to see the world through the eyes of another.

Technology education has a similar contribution to make. It invites children to discover for themselves, to think things through and to keep asking questions. How does the world work? What is the relationship between A and B? And how can I influence that connection—through what I know, what I do, and who I am—in collaboration with others?

In other words, the development of non-cognitive skills, or twenty-first century skills, is not an end in itself. More to the point, these skills are instrumental in teaching young people to think in terms of possibilities. In enabling them to develop a sense of the context in which they work, and an awareness of their role and responsibility within that context.

This is important. Because the future is about more than building spacecraft. It is not just tangible, material innovations and cutting-edge technologies that will help us to progress.

It’s also about the figurative and intangible innovations that we as a society need to stay connected to one another and to continue to develop. It’s about the concerned citizens who fuel our democracy with life and energy.

It’s about the urban designer who not only knows how to meet the architectural challenge of building a cultural center, but who also understands what it takes to promote social cohesion in local neighborhoods.

It’s about traditional ‘standard-bearers’ such as police officers, teachers and nurses, professionals who will have to reinvent themselves constantly in a world where authority is no longer a given.

Sociologist Richard Sennett hit the nail on the head when he said that skills are not just a set of neat tricks. Twenty-first century skills do not provide us with a formula for a versatile human being, deployable in any context.

How people use generic skills is always connected to their personality and attitude. And embedded in the context and mores of a professional practice. It is responsive to what the environment or the situation demands. And reflects each individual’s concept of a job well done. This is one of the reasons why we are now expanding the master-apprentice approach in our vocational education.

Daan Roosegaarde is someone whose work unites all of these dimensions. I often cite him as an example and I have no hesitation in doing so again today. The illuminated cycle path he has created in Eindhoven is a thing of beauty that exemplifies so much of what I have been talking about.

The cycle path sparkles with stones that soak up energy during the day and emit light in the dark. It is a fantastic idea and a technical tour de force.

But what makes it even more impressive is that it refers to a painting by Vincent van Gogh and symbolizes the artist’s links with the area.

It is an exquisite, even moving, combination of different dimensions.

Of knowledge and imagination.

Of pragmatism and creativity.

Of generic applications in a specific context.

It may be coincidence, but this year Eindhoven University of Technology succeeded in recruiting fifty percent more female first-year students by appealing to this extra dimension. The university’s publicity campaign linked pure technology to young people’s dreams of the future. These personal dreams were projected on clouds and tall buildings.

A way to help your grandmother cope with dementia.

A mobile phone that never runs out.

Love that lasts forever.

In Eindhoven, they say every innovation starts with a dream.
It is an inspiring way of looking at things. Sometimes it’s the technology that enables us to accomplish our goals. But often it’s an idea that gives birth to the technology.

Perhaps the ultimate use of technology lies in underlining our human values. And this brings us to our ‘third-stage rocket’: one that ignites the value of personal development.

After all, processes in which people and their ideas make a difference can never be automated.

The on-board computer of Apollo 13 could never have come up with the idea of using sticky tape and cardboard to fit two incompatible filters together.

In the same way, Massive Online Open Courses or MOOCs can open up a world of opportunities. But only a teacher can assess whether a marginal pass is the result of hard work or laziness.

A machine can manufacture a product but it cannot dream up the product in the first place. It was an artist who collaborated with scientists and medical experts to develop a piece of skin based on spider silk that has turned out to be a revolutionary basis for skin grafts to treat burn victims.

This is why I am convinced that in addition to focusing on knowledge and skills, in addition to feeding into the job market and the social order, in addition to meeting the demands of our age, education should always contribute to creating a younger generation of creative dissenters and constructive critics.

‘Competent rebels’ as Professor Helga Nowotny once called them.

People bold enough to swim against the current and state the other side of the argument.

A young co-pilot needs the confidence to intervene if her experienced superior starts take-off without clear permission from air traffic control.

And teaching a nurse to think critically and solve problems only makes sense if, in the operating theatre, he has the courage and character to question the judgment of the surgeon who is about to operate on the wrong leg.

As I see it, learning and skills development always go hand-in-hand with the ability to take an independent view and to engage in critical reflection.

The ability to combine a practical mindset with ethical standards and moral values.

To look beyond barriers, and to sometimes break right through them, in order to see what lies on the other side.

It means seeing education as a way to equip us for the future, with skills that provide the preconditions for imagination and personal development that results in creative and competent rebels.

This is the combination that provides the best possible preparation for a flexible labor market and its ever-increasing demands.

It is the very cornerstone of progress. And it enables people to do their best and to be the best they can be, regardless of their level of education.

Just as an astronaut cannot live without oxygen, we cannot shape the future without education.

For if we are to reach the moon and beyond, we need to develop better and better rockets. Literally, but above all figuratively.

And we need to educate young astronauts who can combine high-tech solutions with courage, determination and the resourcefulness to reach for the sticky tape in an emergency.

Thank you for your kind attention.

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WINNER: **ENVIRONMENT/ENERGY/SUSTAINABILITY**

"Solving the Carbon Problem Together"

By Douglas Neff for Roger Sant, Co-founder and Chairman Emeritus, AES Corporation

Delivered at the Aspen Ideas Festival, Aspen, Colo., July 2, 2014

I’d like to talk with you today about three things:

1.) Energy policy over the last 40 years
2.) The current carbon pollution crisis; and
3.) How we solve large, complex problems

But I’d like to start with something a little closer to the ground, a story that comes from the World Wildlife Fund… about the White Rhino.

The Rhino is the second largest land mammal in the world (next to the elephant). There are five different species of Rhino in the world.

The problem is that Rhino horns are both extremely valuable (A rhino horn is worth more than its weight in gold!) and severely illegal to buy or sell. So think of a bunch of animals running around the plains of Africa with gold bullion strapped to their heads, and you can start to see the problem.

Since the 1970s, we’ve been trying to prevent the sale, trade, or purchase of rhino horns around the world, with varying degrees of success. And, by the way, when I refer to “We” in this story, I’m talking about all of us, not one country or one organization. When we talk about a species, it doesn’t really belong to one nation—its well-being and loss affect all of mankind.

I want to tell you about two different types of white rhino—the Northern White Rhino and the Southern White Rhino—because I think what hap-
pended to each of them has something larger to teach us.

With the Northern White Rhino, different governments and organizations cracked down as heavily as they could on poaching and horn trade. They call it “Ban and Enforcement.” We might also call it the regulatory approach. But due to instabilities and war in its native region, no amount of enforcement was adequate to save the rhinos from poaching. Killing of the Northern White Rhino continued until we realized, too late, that it was almost wiped out.

Today, there are none of these animals left in the wild and exactly 5 of them alive in captivity. Two of them live in zoos. The other 3 are in a preserve in Kenya, under 24-hour armed guard from poachers, but they are likely too old to breed. At this point, there is little hope of reviving the subspecies.

With the Southern White Rhino, we did things a little differently. We almost hunted them to extinction in the 19th century, but we noticed in time and started protecting them early. Political conditions in this region were different, so “ban and enforcement” was more effective. But that probably wouldn’t have been enough.

Starting in the 1960s, South Africa and Namibia adopted some new policies toward the rhino. Rather than rely solely on poaching bans, they introduced market incentives to make a live rhino more valuable than a dead one.

They made “trophy hunts” legal again. This was a controversial policy, but it made all living animals worth a lot more money. They made it legal to privately own wildlife like rhinos on private game reserves.

They started allowing the sale of rhinos to private ranchers, and after seeing how valuable they were, they did it through limited auctions, effectively competing with the black market.

How did it turn out? Well, in addition to the poaching laws, these incentives made the animals valuable again, in a market sense, due to their value as trophy animals and as a draw for tourists. They made conservation valuable. Ranchers now had incentive to actually breed rhinos and protect them.

After being thought extinct no less than 50 years ago, today there are more than 20,000 Southern White Rhinos, making it the most numerous rhino on earth.

This is a pretty astonishing result. Northern white rhinos are nearly extinct (and probably too old to save now); southern white rhino populations are strong and growing. You may say that both populations were protected by poaching bans. However, it was because South Africa and Namibia put incentives in place to make a live rhino more valuable than a dead one that allowed the market to beat the poachers.

This notion of providing market incentives to solve problems is an important one that we’ll come back to when I talk about carbon pollution.

Before moving on—a caveat. Poaching has increased lately so we can’t be complacent.

So let me tell you about another crisis we faced.

In 1973, when Richard Nixon was President, we faced an energy crisis in the U.S. I’m sure some of you remember the gas lines, the worries about dependence on foreign oil… There were a lot of big feelings at the time: Worry, Doubt, Fear.

People thought we were very vulnerable and risked economic and geopolitical disaster if we couldn’t get things under control. Nonetheless, the Nixon Administration took some steps forward…

One step was to cobble together the Federal Energy Administration and appoint a Stanford professor (with no previous experience in energy) to the position of Assistant Administrator for Energy Conservation and the Environment. (That would be me.)

And let me tell you, I really knew nothing about energy when I was appointed (few of us did, in fact; if you did know anything Congress assumed you had a conflict of interest, making Senate Confirmation unlikely).

I spent the two weeks before my confirmation hearing reading every book about energy that I could get my hands on. It was a really humbling position to be in. But my colleagues and I didn’t know what would or wouldn’t work, so we were willing to try anything. And to be honest, some of our solutions totally failed, some of them helped a little, and some of them wildly succeeded. Here are a few of them…

We tried lowering the speed limit to a maximum of 55mph in order to save gasoline (I’m sure you all appreciated that—you’re welcome!) We even created a “Tips for the Motorist” booklet which included 30 ways to make gas go further. We made bumper stickers like, “DON'T BE FUELISH.”

These had little effect.

Another idea we tried turned out to be very effective. We instituted something we called Corporate Average Fuel Economy (CAFE) Standards. At the time the average MPG was 13.5. We jumped it to 27 MPG with howls from the auto companies, but they achieved them in a few short years. The effect on oil prices was dramatic. That’s the good news. The bad news is that we lost our nerve and left those standards at 27 MPG for the next 30 years.

But there’s good news—we’ve doubled them again. By 2025 the standard will be 55 MPG—thanks to the recent financial crisis, which required temporary government ownership.

And one final example, which was a big success in the long-term. We implemented energy-efficient labeling for most home appliances, which turned out to have a big effect in shifting consumer choices to more efficient models—all of which continues 40 years later. If you go out and buy a refrigerator or a washing machine today, you’ll see that energy-efficient label.

Those are just three of the many solutions we tried during the energy crisis. And I share them with you as a background to the carbon pollution problem because this, too, is an unprecedented crisis. It will require our best thinking and many, many different approaches in order to solve.

When it comes to carbon, there are many things we don’t know, but
The bigger the problem, the more feelings we're bound to have about it. And I certainly see that when it comes to climate change. I can relate—we certainly had a lot of them during the energy crisis in the 1970s.

Here are the big fears and beliefs I noticed in 1974:
- Energy is scarce.
- Costs will only get worse.
- Environmentalists are the problem.

And I think we're talking about a few big themes here:
- Scarcity (not enough energy, not enough money)
- Pessimism (it won't work)
- Blame (it's not my fault, not my problem)

And since then, we've seen that none of those fears came true.

We thought energy was scarce, but fossil fuels (even today) remain abundant. In the midst of the Crisis we thought we had 30 years of global oil reserves; today that number is over 50.

We also thought that costs would only get worse, but since then, retail energy prices have remained fairly stable in constant dollars and electricity prices are lower.

Finally, we thought that environmentalists were wrong—we couldn't conserve our way to economic growth. And yet, our energy use per unit of output is more than 40 percent lower than it was.

The Truth is that, over the last 40 years, we were VERY successful in building energy reserves with fairly stable prices. And I promise you, we would not have achieved this had we not been willing to act outside our fears.

Could we be wrong again? Well, I think we're looking at the same doubts and beliefs around climate change today:
- We can't afford to fix this problem.
- We're not capable of fixing this problem.

It's not our fault, not our problem. What if we're just as wrong as we were during the energy crisis? We're going to need to decide how much longer we want to act based on those fears and beliefs. Right now, they have us stuck—not really acting at all. And I think we can all see where that will lead us.

Numbers can often be difficult to relate to, so let me give you a human example. The island nation of Kiribati (kiri-ba-ti) will be the first nation to disappear because of climate change. The highest point on the island is 20 feet above sea level, but many people live below that. And Kiribati has a population of 100,000 people. Some scenarios say the island will be fully submerged within this century.

Anote Tong, President of Kiribati has said: “We may already be at the point of no return… To plan for the day when you no longer have a country is indeed painful, but I think we have to do that.”

What happens when the 100,000 citizens of Kiribati flee to Australia and New Zealand when their nation disappears? And that’s just the very first island in a long list. There are probably 10,000 other islands facing the same threat. Add to that all the low-lying lands in Bangladesh and Florida and you can start to see the scale of this problem in human terms.

Climate change will affect humanity in many, many ways. Its effects on temperature itself are especially scary, because they’re so unpredictable.

As the average temperature rises little by little, it obscures the increases we continue to see in EXTREME temperatures. These extreme temperatures lead to earlier snow melts, longer and hotter fire seasons, and an increased risk of large fires.

Since the 1950s, the proportion of record high temperatures against record low temperatures has changed dramatically. Today, we have twice as many record high temperatures and half as many record lows.

But here’s the really scary part: extreme temperatures kill more Americans than ALL other weather-related deaths combined, including tornadoes and hurricanes.

This is a human crisis.

And, just like the story of the Northern White Rhino, these are not pleasant facts.
Still, though, I have tremendous hope. I have tremendous hope because I’ve seen just how much we’re capable of achieving together.

Problem-solving is in our DNA, and given the right conditions, we come up with unbelievably innovative solutions to incredibly large and complex problems. I’ve seen it many times before: the Depression; World War II; the Energy Crisis.

But here are three more recent examples:

Back in 1988, we at AES (Applied Energy Services, the power company I co-founded) were building a new 180-megawatt coal plant on the Thames River in Connecticut.

At the time, we were a tiny power company, not even publicly traded, but I still felt like we had a responsibility to pay attention to the issue of climate change. A woman on my team, Sheryl Sturges, came forward with an idea: Why don’t we plant enough trees in Guatemala to offset this plant’s lifetime carbon emissions? How many trees would it take?

52 million, as it turns out.

So we did it. And it was a big investment for a company of our size. We encountered positive responses as well as more cynical reactions, like a cartoon in the New Yorker:

It shows a group of businessmen in line to see some sort of guru. One businessman is saying to another one: “It’s great! You just tell him how much pollution your company is responsible for and he tells you how many trees you have to plant to atone for it.”

The important question though, is how did it work?

Well, it’s hard to say how much carbon we actually removed with all those trees. But I can tell you that 25 years later, the power plant is no longer standing… but most of the trees are still there and still sequestering carbon.

Here’s another example—one I’ve seen up close. It’s called ARPA, for Amazon Regional Protected Areas. The crisis isn’t difficult to grasp: cutting down tropical rainforests is the 2nd biggest contributor to climate change. And we’ve gotten very efficient at cutting down rainforests.

The goal of ARPA is to set aside a large protected area in the Brazilian Amazon: 15%. The land was to be contributed by the Brazilian government, and they would help create the fund that would ensure long-term protection of a region that currently comprises 128 million acres of rainforest in Brazil.

That’s twice the size of Colorado. [Note to judges: speech was given in Aspen, Colorado]

And to do it right, it would have to be protected in perpetuity (and that’s expensive). A guy named Larry Linden, a former partner at Goldman Sachs and now conservationist, set about to create the long-term financing plan. The transition number he came up with was $215 million, and raising that much for conservation would not be easy. This would be one of the largest conservation projects in history.

It would be many times bigger than anything the World Wildlife Fund had ever done before. And it would take detailed financial planning, investments from many different donors, and a whole new way of thinking about this kind of project.

In order to raise the $215 million, Larry adopted a project-financing model that is much more common in private-sector projects. It’s an all-or-nothing model, similar to how Kickstarter works. Everyone agrees to commit funds, but only if the goal is reached. If he didn’t reach his $215 million goal, and Brazil didn’t make the necessary long-term revenue commitments, ARPA wouldn’t get a penny.

This shift in the way large conservation projects are set up was suddenly more attractive to other donors. There would be no need to “sit and wait” to see if the project gained enough steam. Each and every donor was absolutely crucial to the project from the very beginning, as was the Brazilian Government.

Carter Roberts, CEO of the World Wildlife Fund, said it best: “Conservation is a team sport… and we need to bring everyone’s unique skills to bear in pursuit of a common goal.”

I love that notion, that it’s a team sport. Because it keeps us from feeling like there’s nothing we can do. On the contrary, as a team there is much we can do.

How did it turn out? ARPA reached its goal, and the deal was “closed” just last month. It’s really a monumental success and a new and interesting approach to a long-term, large-scale problem.

One more problem-solving story. Remember that we had a lot of fears about energy pollution in the 70s, and a lot of doubts about whether we could affect any significant change.

The Clean Air Act was one of our primary solutions, setting up regulatory and market-based tools to help us improve air quality. It was passed in 1970 with leadership from a Republican President and nearly 90% approval in both houses of Congress.

But let’s remember that we didn’t pass the Clean Air Act to save the air. We passed the Clean Air Act to help us. We wanted our children to breathe cleaner air.

And based on the Air Quality Index (key indicators selected by the EPA) the Clean Air Act has been a resounding success.

We’ve reduced pollution between 60% and 80% in every single area—particulates, sulfur dioxide, carbon monoxide, volatile organic compounds, oxides of nitrogen, and smaller particulates—and we did it while growing the economy 3.3 times.

I will note here, though, that until this year, we never added carbon to the list. Thanks to the Supreme Court, that changed in 2013.

Since that Supreme Court decision, and subsequent rulings, things have started to happen—and clearly for the better.

Some of you saw just a few months ago that the EPA released proposed emissions rules for existing power plants. This was an extremely difficult rule to draft but they did it. During my career at AES we operated a lot of power plants, so you would think
my first reaction would be “you can’t do that to us.” But, in fact, it’s just the opposite. I think the approach the EPA has taken on this has created all sorts of flexibility for those of us in the power business. States and localities have the opportunity to create their own solutions including market-based solutions similar to the sulfur dioxide I just mentioned.

It isn’t prescriptive at all. In fact, the baseline for each state is different because they made an assessment as to where people are getting their power in these various states. They also made it possible to collaborate. So if Ohio, Indiana, and Kentucky wanted to come together as one region, they could do that.

But most of all, to me, it asserted U.S. leadership, which has been lacking up to this point.

A bunch of other things are happening now, too.

The C40, a group of mayors from around the world founded by former New York Mayor Michael Bloomberg, has made an amazing commitment to work to reduce carbon emissions in their cities by 80% from 1990 levels by 2050. They call it 80-50. That’s astounding to me.

California has put their own cap and trade program in place which is starting to see results.

There are renewable portfolio standards in place across the country, requiring that a portion of their electricity come from renewables.

The Northeast states have come together to do something much like what California is doing called the Regional Greenhouse Gas Initiative (RGGI).

There are clean energy tax credits in place for solar and wind power plants.

And the stepped up fuel economy standards I talked about earlier may be the biggest component of all.

I think when you put those fuel economy standards together with the new EPA rule, the US may be in a position to go to Paris late next year at the United Nations Framework Convention on Climate Change and say that the United States is assuming a leadership role in the global response to climate change. That will be an amazing turnaround if that comes about.

So, I’ve shared with you three major, large-scale, extremely complex problem-solving engagements—all of them successful.

I also shared with you that our doubts and beliefs about our energy crisis were misplaced.

And here we are today, facing climate change.

If our doubts and our fears and our beliefs stop us from moving, I have to wonder what inspires us to dig in and try solving these problems…

Well, I think it’s a couple of different things, but the first one is an instinct. We have a human instinct for problem-solving; it’s in our DNA.

And while I don’t think there’s a formula or a prescription for problem-solving, I do think there are some main behaviors or attitudes that continue to show up:

We stick together—that’s how we created ARPA and passed the Clean Air Act, by sticking together.

We try multiple solutions—I learned this a long time ago, during the energy crisis—we had no idea what would work, so we tried everything.

We were willing to fail often—we got our pictures in the paper when things fell apart, but we were still willing to fail again and again. Reducing the speed limit to 55 didn’t work, but we learned not to do things inconsistent with how people normally behave. We learned from that failure and came back with something else.

And finally, we never give up—we can’t solve problems like this if we’re not willing to go the distance. Whether it’s Rhinos or Rainforests, they aren’t going to get solved with one idea or one solution. It’s going to be complicated and messy, so it means we can’t give up.

But there’s another important factor I’ve seen in these solutions.

Government regulation is essential for setting boundaries and ground rules. The Clean Air Act and CAFE standards proved that.

And voluntary action, by both individuals and companies, is hugely important. We need everyone involved.

But what’s often missing in large-scale problem-solving is market-based economic incentives. Incentives make it so that it’s in your best interests to optimize your activities within a set of rules.

We don’t yet have enough incentives out there for us to find and create solutions that reduce carbon emissions.

We can’t unleash the talents of every problem solver in the country if we don’t provide a reward for reducing carbon emissions and a penalty for increasing them.

I made the case earlier that a major difference between how the northern and southern white rhino were protected was the use of market incentives.

This story comes from the World Wildlife Fund, not from me, and the results are astounding. Placing a value on the southern white rhino so it was worth more alive than dead has resulted in a strong and growing population. Without such a value, the northern white rhino was worth more to poachers and is now practically extinct.

Market incentives also played a role in the energy crisis and in cleaning our air. OPEC doubled the price of oil and it led people to discover new reserves and to find more efficient uses for energy. Placing a price on SO2 allowed producers and consumers to make the best investments to reduce emissions.

In both of these cases, market incentives unlocked the innovation of individuals and changed the regulatory dynamic.

Without market incentives, though, we’re wielding a stick without any carrots.

With carbon emissions, we only have regulation and voluntary action. As yet, we have no nationwide incentive to reduce carbon emissions.

I don’t think we can solve this problem without a price on carbon. That’s the economic incentive that’s been missing with climate change.

As a government bureaucrat for part of my career and a regulated
power plant developer for the rest of it, I can tell you that everything the power industry does was, is, and will be based on a combination of regulation and markets.

We need regulatory confidence and a market in which energy companies can compete. That’s what prices do: they motivate commercial activity and organize resources behind a profit motive in extraordinarily effective ways. And markets cannot function without prices.

By putting a price on carbon—a carbon tax—we’ll be taking away the free right to pollute and activating the force of markets to help solve the problem.

The papers once called me an energy optimist. I still am!

I guess I’ve always believed in people—their inherent goodness and their innate ability to invent. And when we combine that with good incentives, then we really have something.

Climate change is the most serious and urgent problem we face right now. It won’t be easy to solve. It will require doing things we haven’t done before. It will take our very best efforts and a fierce determination to succeed.

But if we cling to our natural instincts, we can outshine any of our doubts.

When we stick together and depend on each other.

When we allow ourselves to try multiple solutions.

When we let ourselves fail, again and again, knowing that more failures only lead to more solutions.

And when we refuse to give up, no matter what, in pursuit of our goals.

We are capable of so much.

If we can repopulate the Rhinos in Southern Africa,

If we can solve the energy crisis,

And, if we can clean up our air,

If we can do all those things—as we did,

Then surely we can solve the carbon problem—together.

What I hope you’ll take from tonight is a sense of what the solution will look like.

Like other solutions, we’ll need sensible regulation and wise personal choices, and we are beginning to see those happen.

But the transformation—the real TRANSFORMATION—will come from creating the market incentives that let us address this challenge and thrive as an economy, as a nation and as a global community.

What I also hope you will take away is that we KNOW how to do those things. It’s doing what we have already done before—putting the right incentives in place and unlocking the problem-solving talents in each of us.

Thanks very much.

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**WINNER: HEALTHCARE**

*Building a Culture of Health in America*

By Tanya Barrientos for Risa Lavizzo-Mourey, MD, President and CEO, Robert Wood Johnson Foundation // Delivered at the American Public Health Association Annual Conference, New Orleans, La., Nov. 19, 2014

Good afternoon and thank you Shiriki for that wonderful introduction. This has been a terrific conference, hasn’t it? How about we let Georges Benjamin and everyone else who has worked so hard to make these past few days so great how much we appreciate all of their efforts?

So, here we are at the closing session. And I am delighted to have been asked to speak about what it’s going to take for APHA to reach the goal of making the United States the healthiest nation in one generation, because that is exactly what the Robert Wood Johnson Foundation is working to achieve. In fact, we have officially embraced building a comprehensive culture of health in America as our organization’s vision. We’ve made it the central aim of everything we do. And judging from what I’ve heard from so many of you, I know it’s your central aim as well.

That’s the reason I’m looking forward to sharing my thoughts with you today. And why I’m especially looking forward to listening to the wisdom of the distinguished panel that will up here soon.

So let me begin by saying that we all know that making this country the healthiest in the world is going to require a major shift in the values—and the actions—of everyone: A shift that makes health a key part of everyday life. Why? Because, as you know, health is the bedrock of personal fulfillment. It’s the backbone of prosperity, and the key to creating a strong and competitive nation. With health, our children can grow up making the most of life’s opportunities. Our businesses can rely on the vitality of workers to stay competitive. And our military can perform at its highest level.

If we can achieve this shift, our country will have a powerful story to tell. It will be the story of how we came to see that health means so much more than simply not being sick. How we came to recognize that it is a vital aspect of how and where we work. How and where we live. How we raise, and educate, our children. And how we make decisions for our families.

It will be about how we rejected as inevitable that our kids—a third of whom are overweight or obese today—have a real chance of becoming the first generation of Americans to live sicker and die younger than their parents. And it will be a story about how we overcame the dismal fact that

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a group of retired military leaders recently told Congress that right now, in 2014, a shocking 75 percent of America’s young adults are too fat, too poorly educated, or too tangled up in criminal nonsense to serve in the military. It will be a powerful story of how we resolved to no longer accept that our nation spends more than 2.7 trillion dollars on health care, and yet continues to lose 227 billion dollars in productivity each year because of poor health.

Building a Culture of Health is an idea that requires us to stretch our current understanding of health in ways we have never done before. It’s a view that respects America’s rich diversity. Our many different backgrounds. Our family and ethnic traditions. And the right for health to mean different things to different people. And it’s a view that recognizes we all have an equal right to health, no matter what our background, our heritage, or our current state of well-being, happens to be.

So what does a culture of health look like? Imagine living in a society where promoting health is as important as treating illness, where everyone is able to get high-quality health care—where, when, and how they need it. Imagine doctors openly sharing their medical notes with patients, honestly discussing the price and value of treatments in a way that helps patients get well and saves money. Picture cities, towns, and neighborhoods making sure the health of all of our children is a matter of fact and not a matter of chance. Imagine if every family, in every town, could know for sure that our employers, our mayors, our educators, and our communities were working together to give everyone the tools, and the opportunities, to make responsible choices. It’s a bold idea. And one that I believe is possible.

Now, when I paint this picture to public health audiences like you, I know what you are thinking: That I am either ill-informed or more than a little naïve. The bubble over your head says “Nice fairy tale, but what about the harsh reality?” Currently our nation’s health and health care systems are facing a raft of professional, political, and economic challenges. The recent cases of Ebola in the U.S. are good examples of the persistent cracks that we have in our preparedness system, the widespread misunderstanding, and the serious consequences of the massive cuts that our health departments have endured over the years. On top of that, too many Americans are still coping with avoidable chronic diseases. And every day there are tens of thousands of hospitalizations—and rehospitalizations—that don’t have to happen. Heart disease, cancer, and stroke still account for more than 50 percent of all deaths in America each year. And as we’ve underscored at this conference, where you live affects your health so much that your zip code at birth may be as important as your genetic code in predicting how well, and how long, you live.

Take a look at this slide of the Washington, D.C., metro. See the red line? Babies born and raised out there can expect to live to be 84 years old. But if you happen to be born and raised just a few subway stops away, in downtown D.C., your life is probably going to be shorter—up to seven years shorter. And right here in New Orleans it’s even worse. A person living up there in Lakeview—about six miles from where we are—can expect to live 25 years longer than someone in Iberville, which is near the French Quarter. Needless to say, these are not the hallmarks of a culture of health. Now, I want you to remember this slide, because in a little while I’m going to show you how this alarming image and the destruction caused by Hurricane Katrina actually combined to spark an impressive public health movement in this resilient city. In the meantime, though, let’s get back to the challenges our entire nation faces when it comes to building a culture of health.

Think about our youngest children. When it comes to them research tells us that critical learning takes place from the moment of birth to the age of three. But in most states, our kids can’t go to public school until they are five, and, far too many of our kids continue to be exposed to adverse experiences like extreme poverty, family violence, and substance abuse. That is the sort of toxic stress that can severely compromise their life-long health, and even lead to early death. And, we are all painfully aware that under our current health care system the quality, the cost, and the patient experience that many Americans receive is disparate, disorganized, and dismissive.

How many of you are familiar with Jeff Brenner’s “hot-spotting” work in Camden, New Jersey? The data he’s collected show that one percent of patients—known as “super-utilizers”—account for 30 percent of hospitalization costs. Expenses that could, in fact, be prevented by—well—better prevention and coordination of services.

Yes, these are the harsh realities. These are the issues that you deal with every day. And you know—better than anyone—that we will not achieve a Culture of Health if we continue down this path. But my hope is that by putting our heads together here today we can begin building a movement that will start America down a new path.

Of course you know—and I know—that can only happen if our society undergoes a fundamental change in our perspective of what constitutes health. America has to experience a “light bulb” moment. A moment that shines a beam of recognition on how these very serious, very complicated, and very different issues are, in fact, intrinsically connected.

Let me tell you when that light bulb moment happened to me: I trained as a physician at Harvard and rotated through a hospital in West Roxbury, a few miles away. That is where I met a patient that I will forever remember as “Patient Ruth.” She appeared at the admitting station late on a cold winter night, homeless and helpless. Her feet were swollen. She wore a pair of flimsy house shoes. Raw leg ulcers made walking painful. Her medical chart was thick. She’d been to the hospital many times before. We did what we always did—gave her a few hours in a warm bed, some antibiotics, a decent meal. But the next morning she had to go because the “rules” said our job was done.
So she limped out the door, straight back into the dark tunnel of problems she faced every day: No home. No job. Lousy food, and no family or friends to turn to for help. Our care ended at the front door of the hospital, and that is so short-sighted. What if instead of ushering her back into the cold, we could have asked what she needed to keep from having to come back? And then what if we set her up—linked her to those people or services? In fact, why can’t setting up patients with the help they need outside the medical setting be the fundamental goal of every visit? And this is not just an issue for the poor! Anyone with an aging parent, or sick family member knows exactly what I am talking about.

That was my light bulb moment. And believe me, once that light of recognition turns on, you can’t help but see the connections everywhere you look. Think about our workplace culture and how it demands that we sit for way too long. What if we made our workday a little healthier by making the automatic things we do just a little harder? Like creating incentives to park farther way from the front door. Or taking the stairs. Or holding standing or walking meetings.

Consider the neighborhoods where moms don’t dare to encourage their kids to walk to school or play outside. Why can’t we create human school buses in places like that? The way they have in Kingston, New York, where kids walk to school together as a group, supervised and protected by adults, all the while increasing their physical activity.

And what about the many health care providers who are doing the right thing by asking their patients about their lives outside the clinic, but just don’t know how to connect their patients to needed services in the community? In 2011, a survey of 1,000 physicians found that 85 percent believe unmet social needs, like healthy food, reliable transportation, and adequate housing, are directly linked to poor health. And, 4 out of 5 physicians do not feel confident in their capacity to meet their patients’ social needs to improve their care. Why can’t pediatricians write prescriptions for parents to read the Cat In the Hat out loud to their kids? Or prescriptions to get the kids off the sofa and jumping rope, playing four-square, or anything to get them moving for an hour every day?

When that light bulb clicks, we see how deeply intertwined all of these different forces are. And we understand the prophetic role they play in our entire nation’s health. There is an African proverb that teaches “the wise aim at boundaries beyond the present.” So let me voice the Robert Wood Johnson Foundation’s idea right here, right now: That we, as a nation, will strive together to build a Culture of Health enabling all in our diverse society to lead healthier lives now and for generations to come.

But the truth is even though we are the nation’s largest philanthropy dedicated to health, we don’t make policy. We don’t sell anything. And we don’t deliver any healthcare services. The only power we have is to bring people with great ideas together with people who have the commitment, and the drive, to set a new standard of health for our all of our communities. That’s what we’re doing right here this afternoon. That’s what’s going to make a Culture of Health happen. Not me standing up here talking about it. But you and others embracing the idea.

Studying solutions. Sharing your findings. And cranking up the volume on the nationwide call for change.

I’m looking forward to hearing new ideas and experiences from our panelists today. To get us started, let me share the key issues that we at RWJF believe are vital to achieving a Culture of Health. Seven years ago, we committed $500 million to reversing the childhood obesity epidemic in America. And the good news is we’re starting to see real signs of progress. Nationally, the relentless rise in obesity rates for all kids has leveled off. And when it comes to the youngest kids—the ones between two and five—the levels are starting to fall. But the progress is fragile, so we all need to keep pressing the accelerator at full pace. We also want to give everyone who is eligible for health care coverage the opportunity to enroll...And to make sure they know how to make the most of their insurance. We want to help people get the highest possible value for every dollar they spend on getting healthy and staying healthy. And help magnify healthy places and healthy practices across the country. We want to address early childhood trauma—the roots of violence—and health equity. And we want to encourage businesses to take the lead in investing in the wellbeing of the communities they serve.

Now, let me stop here for one moment and share one of the convictions of the foundation that led us to these key issues. We will never be a healthy nation if we continue to be a violent one. Let me repeat that: We will never be a healthy nation if we continue to be a violent one. The Foundation’s aim is to focus on the causes—and the long-term ramifications—of violence, how adverse childhood experiences, and other forms of toxic stress, can lead to violence later in life.

We also believe our society will not achieve a true Culture of Health if—through no fault of their own—some Americans are faced with much greater barriers to health than others. Personal responsibility plays an important role in achieving and sustaining health. There is no question in my mind about that. But nearly one in five Americans lives in neighborhoods with limited job opportunities, low-quality housing, pollution, and unhealthy food options. And that means the deck is stacked against them from the start.

Now, I know that addressing all of these issues won’t be easy. In fact, we won’t ever build a comprehensive Culture of Health if we just continue to tinker at the edges of our current systems. We have to make a seismic shift in the way we all deal with health. And it has to come from the ground up. And that is why I’m here. Because I know you aren’t about tinkering. You are about being bold.

You are about drawing new maps. We need to change our expectations as a nation. And we need to recalibrate
our behavior as individuals everywhere across America.

So why do I think a shift of this magnitude is possible? Because it's happened before. And every time it's happened it's grown from a single, good idea. Back in 1970, the year Earth Day was established, the word “recycling” wasn’t part of our common vocabulary, much less a part of our lives. But people began asking why we were choking our land and our oceans with plastic, glass, and paper that could be collected and repurposed. And then they insisted on a change. Today, we almost automatically separate paper, plastic and glass. And one reason is because we've made it easy. We’ve made recycling the default with recycling containers on sidewalks, in stores, in schools, and in offices. In fact, nowadays most of us feel pretty guilty if we accidently toss a can or bottle in the same container as our coffee grounds. I did it this morning and quickly fished the can out!

A shift also happened when 911 came to be. Some of us can remember a time when there was no single number to call in an emergency. Patients didn’t get any first aid before they were wheeled into the emergency room. And the doctors at the hospital had no idea they were coming. But that changed when somebody came up with the idea of creating a single, universal number to call, and a system for connecting first responders to medical workers at the hospital. Simple idea. Revolutionary change. Now, every child in America learns how to dial 911 almost as soon as they become infatuated with a mobile phone. And in some places you can text 911 too.

So why can’t we make building a Culture of Health our next national shift? Let’s make being healthy the default, so one day we will look back at America’s current state of health with the same disbelief that our kids display when they ask: “Is it true that people actually used to smoke cigarettes in hospitals?” The famous science fiction writer William Gibson said: “The future is already here. It’s just not evenly distributed.” And that is true when it comes to a Culture of Health.

In a growing number of communities across the country, people eager to turn ideas into action are already demonstrating what is possible.

Many of you, I’m sure, have heard of a young entrepreneur named Rebecca Onie. She established a program called Health Leads that allows providers to prescribe resources like food and heat the same way they prescribe medication. And then college students help patients fill the prescriptions. The program has been so successful that in May it was adopted by Kaiser Permanente. Rebecca’s not the only one doing this either. In Boston, the city is partnering with doctors in a program called “Prescribe A Bike” that allows people to sign up for a bike-sharing program for as little as five dollars a year. And all across the country doctors are starting to hand out “park prescriptions.” These prescriptions actually give patients directions on how to find a safe park near their homes, and a list of activities they can do there.

Let me also tell you about the Rev. Michael Minor. He heads a congregation in Hernando, Mississippi. And not too long ago, he had the crazy idea that he would ban fried chicken from church suppers, because he was tired of conducting funerals for people dying from avoidable diseases. Of course, now that we’ve all spent a few days here indulging in some delicious deep-fried Southern cuisine, it’s not too hard to imagine how unpopular the good Reverend’s decision probably was. But Pastor Minor was committed to leading his flock down a new path. And today, not only do his church suppers feature healthy pot-lucks, but there’s also a walking track around the building, and a blood pressure monitor in the lobby. And what’s more, Rev. Minor has created a curriculum to help other churches across the nation start health and wellness ministries. And it has been adopted by the American Heart Association.

Someone else who is spreading the good news of health is Jill Vialet. She is the founder of Playworks. Playworks provides schools with structured play at recess which not only gets kids physically active, but also teaches them how to resolve disputes peacefully—by playing rock, paper, scissors. And that means they don’t bully. I love this program because it doesn’t take a lot of money. The kids use hula-hoops, and jump ropes, and balls. Nothing fancy. But it makes all the difference in the world, because playing does a lot more than just burn calories. It’s critical for brain development, for learning how to make decisions, for regulating emotions. And it introduces kids to the life-long joy of being physically active.

Now, none of these social entrepreneurs just told you about had millions of dollars at their disposal when they put their ideas into action. They didn’t have any special standing, or extraordinary political clout. The only advantage they started with was the courage to question the status quo. And then they convinced others that they should be questioning it too.

Of course, out in the business world it’s all about the bottom line. So, what is the return on investment for health promotion? A 2010 study published in Health Affairs found the average ROI from workplace health promotion programs was $3.27 for every dollar spent if you consider medical expenditures. And, if you consider absenteeism, the average ROI was $2.73 for every dollar spent. Now earlier this year, a group called the Vitality Commission—comprised of people from private industry, public health, and academia—released a report detailing the importance of advancing a Culture of Health in American industry. One of the recommendations is to get corporations to make health metrics a key part of their corporate financial performance reports, the same way they report on sustainability. When I spoke to the leaders of the Sports and Fitness industry a couple of months ago, I challenged them to be the first industry to start reporting health metrics. You may want to go back home and issue the same challenge to another industry.

We also know that one of the best predictors of health is education—so what does that ROI look like? This data out of the University of Chicago and
I want to thank the Reverend Steve Poos-Benson for that introduction. And I want to thank all of you. Anytime anyone invites you into their home, I believe, it is a special honor.

It means, I think, that someone has chosen to invite you into their lives, into their family, into their sanctuary. In this case, that is especially true.

I am deeply honored that you have invited me into your community and place of worship. It is an honor. I am also honored, and—frankly a bit overwhelmed—Rev. Poos-Benson has asked me to talk the theme of… I AM THIRD. The simple, yet profound phrase, which reminds us that we are all here to serve. And the topic of “servant leadership.”

It seems natural to begin with how I first came to know Reverend Poos-Benson late last year.

University College London examined three of the most successful early childhood intervention programs for at-risk children in America. It determined that providing one of the programs to children under five would yield a long-range return on investment for the general public of $254 billion for boys, and $154 billion for girls. This figure includes not just employment and productivity, but also reduction in crime and savings to taxpayers. In the state of Oklahoma, this really sunk in. A while back, parents began to ask why their kids had to live under the shadow of statistics showing that vulnerable children who don’t get early intervention are 25 percent more likely to drop out of school. Forty percent more likely to become a teen parent. And 70 percent more likely to be arrested for a violent crime. The state decided to take on the statistics by establishing universal pre-K that provides free schooling for all of the state’s children, starting when they are three years old. The program has become so popular that even though Oklahoma is one of the most tax-conservative states in the union, public funding for pre-k has been repeatedly approved by Republicans and Democrats alike. That’s how a powerful idea can unify people across the aisles.

The truth is there is no single way to cultivate a Culture of Health. Different communities are going to build the Cultures of Health that serve them best. And that’s the way it should be. RWJF has established a national prize to honor and highlight communities that have placed a priority on the health of their residents. In each of these places, ordinary people have driven the change by forming powerful partnerships with business, organizations, and government. And together, as a community, they’ve made a deep commitment to stick with their efforts until they see success. These are the 2014 winners of the prize [SLIDE].

Now, remember that map of New Orleans that I showed you earlier? Well, there’s a lot of hope in this city right now that the stark differences in life expectancy that you saw will become a thing of the past—sooner rather than later. That’s because after Hurricane Katrina, public health officials here decided one of the best ways to bring their city back from the devastation of the storm was to rebuild New Orleans into one of the healthiest cities in America. And to do that, they built new partnerships between the City’s Health Department, schools, businesses, and nonprofit organizations, partnerships that are more collaborative, more evidence-based, and more inclusive. And as a result, being as healthy as you can be has become part of the city’s policy. It’s become part of city planning. Part of the school curriculum. And part of the incredible come-back spirit that you can feel in every corner of this town. In fact, the support for community health is so strong that last year New Orleans was one of the winners of the first-ever Culture of Health prize. Let me show you a short video about what they’re doing here to build a home-grown Culture of Health.

You can tell that film was made last year because—Karen DeSalvo is now serving as Acting Assistant Secretary for Health at HHS. Her immediate role is to help with the government’s response to Ebola. But you can rest assured that later, Karen will be one of our strongest allies in the movement to make the U.S. the healthiest nation in one generation. And that’s why I know we can do it. As I said before, It’s not going be easy. In fact, it’s going to be hard. But if we combine passion with purpose, I know we can raise the health of all Americans to the level that this great nation deserves. And when we do, we will, indeed, have a powerful story to tell. A story we can all start writing today.

Thank you.
us, I think that time was also a period of inspiration.

In that moment of their own suffering, Michael and Desiree reminded us that there was another family suffering:

The Pierson family. They were also enduring their own unique heartache and concerned for their child, Karl.

It was a time when Michael and Desiree showed incredible mercy and grace.

Here we all were, trying to tend to their needs, and what we found was they were tending to ours.

In that moment, by their example of strength and enduring love, Michael and Desiree Davis, showed leadership.

They put themselves and their own needs second to the needs of their friends, family and their community.

Not only that, by their actions, by organizing that memorial, they reached out and ministered to …

… so many thousands of people who did not know them, but who in mind and spirit had gathered around them.

At the time, and ever since, Michael and Desiree said we are grateful for your support, but you must also not forget our extended family who are also suffering.

That is extraordinary.

Michael and Desiree, through their Love and Leadership, are examples of theme we are gathered here today to consider: I Am Third.

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Servant leadership is an interesting phrase, I guess, because it implies there is some other kind of leadership.

But I don’t see it that way. To lead is to serve.

When I thought of that phrase “servant leadership” I immediately thought of when I was a child and being violently shaken. And Agnes and the Linen Service.

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My father died when I was about eight years old from a terrible and prolonged illness.

My mother, she tended to my father. During his last days he was bed-ridden.

My mom was always tending to my father. She would rarely leave his side.

I was a kid. I had a school play. And I wanted my mother there.

I wanted her to come and see my play.

And there was this one day when she said she couldn’t make it.

She said that to me a lot during that time when my father was ill.

I remember this day vividly: standing on the landing of the stairs to our second floor …

… screaming at my mother because she was always spending so much time with my dad …

…and I wanted to know, well, What about me!?! Didn’t she love me? Or care about me?

And my brother came flying out of nowhere. He pushed me up against the wall and he shook me.

Grabbed me by the shoulders and, I mean, he SHOOK me.

He looked into my eyes in a way I will never forget and he said, “How do you think that makes mom feel?”

He said, “Don’t you think she wants to be able to be with you? Don’t you think she wants she and dad to be there?”

Then there was Agnes and the Linen Service.

One of my mother’s tasks, several times each day, was changing my father’s sheets.

She was a small woman. Her nickname was Shrimpie.

And she would have to roll my dad this way, then that way, to remove the linens.

And the linens were always in need of washing. It was a chore among her so many chores. She never complained.

She always said that God gives us times of sorrow and challenge so that we can appreciate the moments of joy and our times together that much more.

So washing the linens took a lot of time.

And there was this woman, Agnes, in our lives.

And Agnes began to pay for a linen service for my mother.

Agnes didn’t ask. She merely paid attention, saw a need and she acted.

It was an incredibly thoughtful act of love. Agnes, she didn’t realize it, but through her act of kindness …

… through her act of love, she was demonstrating leadership.

At a time when my brother had thrown me against a wall, and shaken me – literally – into realizing …

… that life wasn’t all about me, but rather life was about thinking about others, I saw Agnes.

Her empathy, her action, were examples to me.

Her love showed leadership.

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Too often in public service, the public service part of public service is forgotten. Gets lost.

How often does an elected official talk about love? Or more importantly, demonstrate love?

Public service, to me, true public service, is looking for those opportunities to provide linen service.

Public service is not about getting in the way and childishly saying, What about me?

Leadership is, at its best, when it’s rooted in love.

***

At that time, late last year, when I first met Rev. Poos-Benson, and when I met Michael and Claire Davis, our state had been through quite a bit.

The politics of the state had become so divisive.

Coloradans had endured multiple fires.

Senseless violence.

A flood.

I had been to countless funerals. I had visited countless people who had lost people very dear to them.

I was trying to make sense of it all.

Why?

I had visited people who had lost their homes.
I tried to be there for them. Whatever that means.
I thought a lot about why?
What was God up to here?
Upon reflection, I started to realize that each and every time, what I found most remarkable was in each of these tragedies…
… those who were most affected…
those people who had endured loss and who I had gone and tried to be of help to…
… the incredible thing was they were the strong ones. They were the ones who showed mercy and resolve and love.
Incredibly, I had gone to try of be of service in any way to them, and the thing was…

so many people from all over the state wanted to be of help and of service.

In their own way, to provide linen service.

Humans are remarkable. We were created with this remarkable capacity to love, to think beyond ourselves.

And I think one of the lessons I have learned, or rather been reminded of, is sometimes when we are shaken by events, we are reminded that to love is to lead.

The trick is to be that way all of the time.
To surround ourselves with communities like this one. To have people in our lives, like my chief of staff…
…Roxane White, who when we forget, or get caught up in our daily lives, will shake us and look into our eyes and remind us to think about: how will this affect others.

What I learned from my mother, from Agnes, is that servant leadership is the only kind of leadership.

Thank you for having me here. And please, if you ever think I need some shaking, give me a shake.

Good afternoon, everyone. It’s a pleasure to be with you.

In the company of so many people dedicated to the future of our nation’s metropolitan areas, it’s fascinating to remember that cities are a fairly recent phenomenon. … Relatively speaking, that is.

I’m certainly not the expert on cities that you are, but I did a little research on the subject … just for this occasion.

The first cities we know about were built around 2900 BC, in a region that is modern-day Turkey and Iraq.

Before then, humans evidently spent the majority of their time doing a lot of hunting and gathering, but not much congregating.

Of course, cities have never been more popular.

Currently, 54 percent of the world’s population lives in urban areas. That’s up dramatically from 34 percent in 1960.

By 2050, it’s predicted that 64 percent of the developed world and 86 percent of the developed world will be urbanized.

Think about that. … While it took all of human history to reach 3.5 billion urban settlers, we’re going to add 3 billion more in the next 30 years.

There are many reasons why urbanization continues to gain momentum—not the least of which is that all of the Starbucks are in cities.

A more important reason is due to a unique human trait. It’s the ability to cooperate. That’s the theory put forth in a recent issue of Scientific American magazine.

According to the authors, we owe our evolutionary success not simply to brainpower, but to our ability to use our brains to cooperate with one another.

Without cooperation, cities and metropolitan areas could not function. They would resemble Congress on a huge scale. A scary thought.

In the future, cooperation will be even more important because there are going to be a lot more of us living in cities.

Urban areas growing at their predicted rate of about 2 percent per year will double their populations in just 36 years.

At that rate, you can almost see development taking place before your eyes.

Highways add more cars, green space becomes the color of concrete and what were once sleepy communities on the outskirts of towns are overtaken by new homes, offices and shopping malls.

Of course, all this comes under the heading of growth and progress. But both are raising issues that are new to us. They are demanding solutions that remain elusive.

The surge in urbanization … meets the failing state of our surface transportation infrastructure … meets limited public funding.

And there is a toll being collected in everything from quality of life to strength of the economy.

I believe social planners call it a “wicked problem.” One with
fast-changing, often contradictory requirements—where solutions can cause changes that cause new problems.

The wicked problem of rampant urbanization and inadequate infrastructure is driving a need for action that is running ahead of our ability to respond.

Every four years, The American Society of Civil Engineers issues a report card on the state of America’s infrastructure.

The transportation portions of the 2013 Report lay out the degree of our dilemma:

- Aviation—D.
- Roads—D.
- Transit—D.
- Inland waterways—D.
- Bridges and rail both outperformed—they got a C+.

The Engineers Society says this depressing report card comes with a big cost.

The sorry state of our surface infrastructure will cost the American economy more than $3 trillion through the decade.

The report card, to be fair, does indicate that progress is possible. In four years since the 2009 report, the cumulative grade for 16 areas measured has moved from a D to a D+.

So: how do we improve?

It starts with the work you do.

Your long-range plans are what creates the vision for transportation networks that support the growth and vitality of metropolitan areas today and well into the future.

In that work, MPOs and UPS—are on the same side of a number of critical issues.

For example …

We agree with you … that federal funding should be increased to improve surface transportation infrastructure and ensure America’s competitiveness.

We agree with you … that the Highway Trust Fund should be maintained at sufficient levels to provide for a safe transportation network for commercial and public travel.

We agree with you … that a multimodal freight program with sufficient revenues to improve intermodal networks is needed at the metropolitan and state levels.

And we absolutely agree with you that there should be a public policy focus on freight.

You might expect me to say that, right?

After all, every day UPS delivers more than 16 million packages to more than 8 million customers.

It’s estimated that at any given time, the economic value of the goods and services moving in the UPS network represents 6 percent of our country’s gross domestic product and 2 percent of global GDP.

But we need a focus on freight for more than any self-serving reasons.

Simply put, the numbers demand it.

The Census Bureau says the U.S. population will increase nearly 20 percent by 2040.

That’s one new person every 12 seconds.

With the average American requiring the movement of a staggering 57 tons of cargo per year—everything from new cars and trucks to machinery for factories, televisions, and smart phones—our ships, trains, trucks, ports and roads are going to get a lot more crowded.

Synchronizing all of those flows of commerce is what we do. To do it to the best of our ability will require a lot of cooperation, including from Congress.

As you know, Congress has begun to recognize freight as a national priority.

Because it affects almost every one of us and is crucial to our economy, we would like to see Congress make an even stronger commitment to freight.

Maybe if lawmakers and the public had a better understanding of the role of freight, it would ease the way to greater cooperation.

Here are three things we believe more people should understand about the freight business.

The first thing … is that the secret to moving freight efficiently and economically is the ability to shift between modes.

Today’s consumers don’t care how a product gets to them as long as it arrives on time, undamaged and at the right price.

The ability to move packages and freight through different modes—from air to truck, truck to rail or air to ocean—is critical to our ability to deliver goods in the most efficient, economical and environmentally friendly ways possible.

The second thing people need to understand … is that a focus on freight means a focus on logistics.

You may have heard that at UPS we love logistics.

We love logistics because logistics is the secret sauce that synchronizes transportation modes, technology and data.

But here’s the thing about logistics. Logistics can give us the most efficient route between two points, but it cannot improve the underlying infrastructure that makes that efficiency possible.

For that, we need cooperation. …

In the face of dwindling federal funds, we’ve seen signs of cooperation on a smaller scale. Counties, states and regional authorities are finding ways to generate their own funding sources.

But upgrading our highways, airways, railways and ports at the national level is a bigger ballgame. And something only Congress and the Administration can do.

Meanwhile, MPOs must be seen as the place where the most important transportation issues are raised.

MPOs need to make sure you’re talking to the right people. And that those people are hearing you loud and clear—especially when it comes to the need for adequate funding … the need for faster project delivery and the need for local decision-making on projects affecting metro areas.

Because until our nation’s infrastructure is upgraded, many of the gains we make in logistics will be given back in inefficiencies.

The third thing … that’s important to understand is that weaknesses in our freight infrastructure won’t be solved by an improving economy … or a patch here and a fix there.

We need a new approach to addressing problems in the nation’s
freight transportation system infrastructure.

This is a system that was built in silos and stitched together over the course of decades.

Highways were built to connect with highways . . . railways with railways.

Congress has tried to link them together, but it's still a patchwork.

The failings of that patchwork are obvious to all of us.

Crumbling roads . . . collapsing bridges . . . eroding dams . . . and aging airports.

Of course, these same roads, bridges, dams and airports were once shiny and new—some were marvels of their time.

But for many, their time has passed. It's not an issue of rebuilding them. We can't even afford to maintain them.

In many regions—especially older cities in the Northeast—transportation funds are barely meeting maintenance needs for the infrastructure we already have.

I know that Congress has heard from AMPO on this subject numerous times.

... And that some AMPO members have developed their "disinvestment" lists . . . bridges and roads projects that can be abandoned as the money dries up.

Congress, of course, is divided over how to fix it.

The only policy approach is to take a long-term, coordinated view of how different transportation modes can work together.

The only workable solution is to transform our infrastructure from a patchwork to a network.

At UPS, we know the power of networks.

We’ve been working on ours for more than a century.

As we approach the holiday season, we’re gearing up to handle what will probably be record volume, thanks to the explosion of e-commerce.

On six days in December last year, we delivered more than 25 million packages. Each day.

That’s like delivering a package to every man, woman and child in New York, Dallas, Phoenix and Atlanta . . . on the same day.

We’ll probably surpass those numbers this year. Our estimate is that we’ll deliver 485 million packages during our peak season, from Thanksgiving through the first week in January.

To handle the volume—not just during the holidays but every day of the year—we use practically every available mode of transportation.

We started this business 107 years ago delivering messages on bicycles.

Today we have a delivery fleet of more than 96,000 commercial vehicles.

We have one of the world’s largest airlines, with more than 560 aircraft.

We use tuk-tuks in Asia . . . and gondolas in Venice. Even the occasional bicycle.

We have an extensive network of ocean intermodal connections.

And we’re one of the largest customers of America’s freight railroads.

As packages and freight move along the supply chain, we collect and crunch more numbers than you can imagine. All to become more efficient and create more value for our customers.

Every day our engineers and experts work to shave just a few seconds off a route, off a package sort, off a driver’s single movement.

If there’s a greener or more time efficient way to do something, we’ll find it.

That’s how we arrived at a proprietary technology platform called ORION.

ORION is one of the most complicated things our company has ever tackled.

But it started with a simple question: What is the absolute best way to get from Point A to Point B? ... It’s the old traveling salesperson’s riddle.

We know that one of our drivers typically delivers to about 120 locations per day.

Between any two of those stops, there are an almost unlimited number of available routes.

Of course, we want drivers to take the best route, which is the most efficient route.

Because in our business, time and miles are big money.

How big? ... A reduction of just one mile a day per driver saves the company as much as $50 million.

As it turns out, according to ORION, the number of possible routes for a driver making 120 stops in a day is 199 digits long. That’s 13 numerals followed by 183 zeroes.

The number exceeds the number of nanoseconds that the Earth has existed.

ORION—which stands for On-Road Integrated Optimization and Navigation—is one of the great examples of Big Data at work.

ORION uses 1,000 pages of code to analyze 200,000 possibilities for each route.

It does all that in real time and delivers the optimal route in about three seconds.

By the end of 2013—after being applied to just 10,000 routes—ORION had already saved 1.5 million gallons of fuel and 14,000 metric tonnes of CO2 emissions.

Needless to say, we’re working hard to deploy the system to as many of our 55,000 North American delivery routes—and then the rest of the world—as quickly as possible.

But not even ORION can solve all of the problems that threaten efficient freight movement.

Traffic congestion ... bottlenecks in the rail system ... unpredictable weather. Every obstacle that slows freight reverberates through our network with implications to our customers, their customers and to the U.S. economy.

Because of the work we do, we do battle with the infrastructure every day.

• The lack of long-term planning to link intermodal connections.

• An antiquated air-traffic control system.

• The lack of commitment to adequately finance the Highway Trust Fund.

• A crumbling surface-transportation infrastructure.

• Too few trade agreements.

• Customs delays for commercial goods entries.
That’s just the short list. But you get the picture.

When you think about it, our problems are America’s problems. Because when and where U.S. capacity to move goods suffers—so does U.S. competitiveness.

So what will it take to move freight transportation into the 21st century?

Here is a summary of the policy changes we believe would make the system more efficient and America more competitive.

• We must link different transportation modes together, moving from a silo-ed approach to one that is seamless … from a patchwork to a network.

• We need greater centralized coordination in transportation policy, not a scaled back federal role.

Some in Congress have pushed to delegate the federal transportation program to the states. We think this would be a mistake because it would remove the national purpose for a transportation system.

• We also need to increase the federal motor fuels tax and index it to inflation.

• We support dedicating these additional tax revenues exclusively for highway spending programs to bolster the Highway Trust Fund.

• Congress should even consider alternative funding mechanisms, such as mileage-based user fee programs and tolling authority for new highway capacity.

• We need the approval of several free trade agreements that are now on the table with negotiators in this country and elsewhere.

Many of these policy changes will take significant resources and years to implement.

Others could be accomplished more quickly. Such as increasing the length—but not the overall weight—of trailers from 28½ feet to 33 feet in twin-trailer configurations.

But all of these solutions are tied together by a single, critical reality. None is possible without cooperation.

I want to close by thanking AMPO for the opportunity to be with you today.

I also want to thank you and your organizations for the work you do to keep America moving … and moving in the right direction.

It’s a big job.

By facilitating the collaboration of government, business and the public in the planning process, you’re creating a shared vision for the future of our nation’s metropolitan areas.

You deserve the help and cooperation of all stakeholders.

Daniel Burnham, the American architect and urban designer who created master plans for Washington D.C., Chicago and Manila, once said this about your jobs:

“Make no little plans,” he said. “They have no magic to stir men’s blood and probably themselves will not be realized.”

We all need to think bigger—more creatively and more cooperatively.

We need to remember the days when great cities were taking shape to meet the challenges of modern urban areas.

We need to make big plans and think in terms of big solutions. The strength of our economy and the quality of our lives demand nothing less.

Thanks.

WINNER: TECHNOLOGY

“Preventing the Boom”

By Antonie van Campen for Tom Middendorp, Chief of Defence, the Netherlands

Delivered at the opening of the Joint Deployable Exploitation and Analysis Laboratory, Soesterberg, the Netherlands, Nov. 4, 2014

Colleagues, Ladies and Gentlemen,

A US soldier, who survived seven bomb attacks in Afghanistan, once described his experience to a reporter of ABC news.

He said:

“It’s nothing like you see in the movies. You see a flash, then you hear this loud, hollow boom. It shakes your whole body. It shakes you to the core. You feel the compression, you feel the shock wave. Dirt flies, rocks fly, all kinds of stuff flies around. It sucks all the air out. You’re deafened for a time period, confusion, ears ringing. And you get that sulfur, that smoke smell…”

Ladies and Gentlemen, this soldier, this man, survived. And he was able to tell the news reporter what it’s like when a bomb explodes almost right under your feet. Many soldiers, however, cannot tell what it is like. Because they did not survive.

Sadly, the statistics support that.

According to the website ICasualties.org almost three thousand Coalition soldiers lost their lives in Afghanistan, because they fell victim to what we know as Improvised Explosive Devices.

Many others were badly injured.

Others, like the Dutch corporal Dennis Van Esch. I know him personally because I happened to be commander in Uruzgan when he was injured.

Dennis could have been one of these soldiers you see on the photograph behind me. He was also patrolling the streets and fields of Afghanistan with his buddies. Until he was hurled out of his armoured vehicle when a bomb exploded. This was on the 20th of June, 2009.

Dennis went into a coma. His legs were irreparably injured, his jaw was fractured, he suffered a loss of kidney-
function, as well as brain damage. The surgeons did not expect him to survive.

After several days Dennis was evacuated to the Netherlands, so his family could say goodbye. But miraculously, he survived. After ten weeks in coma, Dennis woke up.

That was five years ago. And up to this day he is still recovering. This is him [showing photo]… All that is left of his legs are two short stubs.

Today, Dennis is proving that life goes on after devastating injuries. A life worth living. A different life. Not fighting enemy combatants, but fighting a long battle to overcome his injuries and to give new meaning to his life.

Ladies and Gentlemen, it is on behalf of Dennis and all wounded warriors, and on behalf of all the other men, and women who dedicate themselves every day to peace and security—in the Netherlands, and elsewhere—that I’m standing here today.

It is my—no our—responsibility to keep them safe. But, as we all know, Improvised Explosive Devices are very hard to counter. Not only because they can take so many forms, but also because they are continuously developing.

I remember being engaged in an unending cycle in Afghanistan; it was—and still is—an arms race.

When we found ways to defeat the early microwave triggering devices for the bombs, the insurgents created more sophisticated triggers. When we figured out how to defeat the new mobile phone driven triggers, the enemy started to employ infrared triggers. When we placed heavier armour on our vehicles, the insurgents increased the explosive power of the IEDs.

Let me tell you: IEDs may be a “poor men’s weapon”, it is a painfully hard tactic for any military to defend against.

An expert at a military academic institution described our battle once as “hide and pray: hiding behind more armour, and praying that there is a technical solution to all this.”

He was right. Partly. Partly, because this fight is about more than just improving our protection.

In Afghanistan that became very clear to us. It became clear that we should not only spend time right of the boom, but also move left of the boom. Meaning that we should go after the guys who are building these bombs.

After all, there are financiers, there are people who supply and build IEDs, people transporting them, placing them and people detonating them.

Mapping out this network—and thus being able to interrupt the production process—should enable us to prevent IED attacks in the future. Intelligence, that is what it is really all about. As Sun Tzu stated centuries ago: “if you know your enemy and know yourself, your victory will not stand in doubt”.

That is why in 2011, the contributing member states under the leadership of France, developed the Multinational Theatre Exploitation Laboratory Demonstrator in Afghanistan.

This laboratory consisted of a number of standard ISO containers, jammed with forensic equipment to develop intelligence for our local commanders.

And now—thanks to the participating member states and the European Defence Agency—its equipment will be stationed here, in the Netherlands.

Now known as the Joint Deployable Exploitation and Analysis Laboratory—JDEAL.

JDEAL will ensure that our capability, and the experience we gained in Afghanistan, will continue to be used. So our lessons-learned on countering IEDs, earned in blood during the past 13 years at war, will not be in vain.

After all, ladies and gentlemen, our battle is still ongoing. The fact that the ISAF-mission is coming to an end, does not mean that the IED threat will disappear from our battlefields. IEDs will continue to be a weapon of choice for insurgents, terrorists and criminals across the globe.

Last week I was in Mali, and I found that this threat is on the rise there as well, already taking the lives of several soldiers… Why? Because IED’s are simple to produce. Because the knowledge and the components are easy to obtain. Because it is a cheap and a low-risk weapon, with a high impact.

Consequently, IED’s will not easily disappear from the scene, and technology and tactics will continue to evolve. Just as enemies will continue to seek to overcome our countermeasures.

We cannot accept this. This work is about preventing our men and women from being killed or injured.

But it’s more than that. It is also about preventing potentially decisive secondary effects. After all, each soldier killed is one too many, but it also affects the morale of the units and the public perception of the mission. Therefore we must act.

Today we demonstrate that we are able and willing to do so, that we are able to take action before the next brutal attack. Let us continue to do so in the future! Let us keep detecting and attacking IED networks. So we can stay ahead of this deadly game.

For wounded warriors like Dennis, and for generations of soldiers to come. So they are able to win any fight, and to keep doing the extraordinary things that only soldiers can do in the fight for peace and security.

That is what it’s all about.

Thank you.
WINNER: AWARD ACCEPTANCE

“When You Come to a Fork in the Road, TAKE IT!”

Delivered at the 2014 Julian Marcus Lifetime Achievement Award Ceremony, The Ohio State University, Columbus, Ohio, May 12, 2014

By Teresa Zumwald for Chad Delligatti, President, InnoSource

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Thank you, Chuck White—the very first recipient of this award.

Thank you, Brett Johnson—our board president.

And thank you, Dr. Carol Ventresca—our current and most amazing executive director!

I admire and respect your leadership. I feel grateful and blessed by your friendship. And I appreciate your passion and your vision to make Employment for Seniors the premier resource for mature job seekers in Central Ohio.

Thank you all for choosing to be here this morning to celebrate the 2014 Legacy Awards Program.

I am deeply humbled by this recognition and by this incredible award, which keeps alive the legacy of our founder Julian Marcus, a retired businessman from Bexley with the will and the energy to change things in Central Ohio.

I never knew Mr. Marcus.

He died in 1982, a decade after establishing this organization.

But what I do know is this: Mr. Marcus believed that older workers are productive, dependable and still talented—and have an important place in the work world.

That’s why he was so persistent, and so passionate, about helping people over the age of 50 discover their hidden talents—and find meaningful work.

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So if you’re 50 years old—and you’ve already worked for 30 years—what ARE your opportunities?

For that matter, if you’re 60 years old—and you’ve worked for 40 years—what’s left for you to do?

Clara Barton knew what to do.

Because 133 years ago today—on May 21, 1881, when she was 60 years old—Clara Barton co-founded the American Red Cross.

And what’s even more remarkable? For 23 more years—until she was 83 years old!—Clara Barton continued to lead the American Red Cross, providing compassionate care to people in need.

Like the American Red Cross, Employment for Seniors helps people facing difficult circumstances through no fault of their own.

And that’s the reason why, in 2003, I accepted Rocky Parker’s invitation to join the Board of Trustees.

Employment for Seniors was facing a crisis and needed help.

Funds were drying up.

This organization could no longer sustain itself through grants alone.

We had reached a fork in the road.

Should we consolidate our operations and merge with another organization? Or figure out how to stand alone—and try to grow?

The board had a difficult choice to make.

But there was no track record. No crystal ball. And no guarantee of success.

It was unfamiliar, uncomfortable territory.

So we looked to the wisdom of baseball great Yogi Berra, who once said, “When you come to a fork in the road, TAKE IT!”

And the board did.

We agreed to stand alone—and to raise money by planning and hosting special events with the help of corporate sponsors and individual donors.

My role was to champion our first event: a miniature golf tournament at Magic Mountain, complete with sponsorships and raffles.

The Board of Trustees, which used to be an advisory board, suddenly became a true working board: sleeves rolled up, deep in the trenches, digging for gold.

It was the tireless work of our board members, and many volunteers, who pulled it off and made it happen.

That included people from our own staff at InnoSource, like Rebecca Heslep and Elizabeth Flaherty, who helped set up and run the event.

The dollars we raised were significant for this reason: They were the first that didn’t come from an agency or foundation grant.

Over the years, there were many more events that ultimately got us on stable financial ground.

Everyone was fully committed to keeping Employment for Seniors alive by creating a steady, sustainable, income stream through more fundraising.

I remember plenty of long days with Gene Gabalski, our former treasurer of the board, who ran and re-ran the numbers constantly to keep us on track.

But the golf tournament was the event that got us started, and proved to everyone that YES! We can do this!

Today, fundraising is a mainstay at Employment for Seniors, embedded into the very fabric of this organization.

In fact, today’s Legacy Awards Program is our major fundraising event every year. So I thank you personally for your support.

The 5K Run in November is another fundraiser, and Carol tells me this year will be even bigger and better than last year.

Even our career expo in August, an educational and recruiting event for more than 600 job seekers, is an opportunity to raise funds from partners, vendors and sponsors.

Because of these events, and your support over the past decade, more clients get our free services, and more employers get free access to an amazing talent pool.
A minute ago, I told you the reason I said “yes” to Rocky Parker, and decided to help Employment for Seniors in the first place.

It’s because I have a soft heart for people facing difficult circumstances through no fault of their own.

Plus, my company, InnoSource, has human resources expertise that I could bring to the table.

But that’s not the whole story.

Rocky’s 2003 invitation came two years after the September 11 terrorist attacks.

By then, 2.5 million people in this country, many over the age of 50, had lost their jobs.

That included members of my family, and fathers of my friends.

So I saw what happens to people over the age of 50 who were displaced, but still wanted to work.

In fact, they still needed to work—not only to support their families but also to keep a meaning and a purpose in their lives.

I saw for myself the havoc that a job loss can wreak on breadwinners and families through downsizings and right-sizings, mergers and acquisitions.

Circumstances beyond a person’s control.

I felt a deep compassion for these men and women who were stunned, lost, alone and afraid, paralyzed with fear by their own new fork in the road.

Many of them had worked at the same place for 30 years, so they had no resume. No interviewing skills. And often no experience with new technology.

As we know, many people identify themselves based on what they do. So if they lose what they do, they also lose who they are.

That’s why I decided it was worth the fight to help keep Employment for Seniors whole and healthy.

And just look at the numbers:

• Ten years ago, we served 600 clients and made about 200 job placements a year.
• Ten years later, in 2013, we served more than 4,500 clients, listed more than 1,000 new positions and provided more than 6,000 job referrals.

This is amazing!

To do this work, we rely every day on many partners.

Plus, we have cultivated hundreds of individual and corporate donors to our cause.

That shows you what the collective power of commitment, partnerships and fundraising can do.

But Employment for Seniors is about much more than just numbers.

It’s about our volunteer job counselors like Jack Russell, someone I used to see all the time. Jack has since passed away, but he was a rock for the people he counseled, helping them navigate all the unknowns.

There is no greater gift you can give someone than the gift of self-confidence, and Jack did just that.

He helped people regain their dignity and their self-respect—as well as a job.

Employment for Seniors is about organizations like the YMCA in Gahanna, which call Employment for Seniors their first resource whenever they need good people.

And we’re also about people like Carol Gilmore, who’s raising her two grandchildren on her own, and found a job at the Columbus Sign Company through Employment for Seniors.

I believe Carol is with us today, along with her supervisor, Carol Saylor. Would you both please stand and be recognized?

But Employment for Seniors is also about people like you, who can make a choice to advocate for the mature job seeker.

I guarantee that each and every one of you here today has something to offer to help Employment for Seniors.

Helping others is the surest way to help yourself, because if you are not already over the age of 50, you will be some day. And you just might find yourself out of work and seeking a job some time in the future.

Maybe you’re an HR professional—retired or still working—who can donate time as a Volunteer Job Counselor.

Maybe you’re an employer who’s never connected with Employment for Seniors—but could benefit from a pipeline of experienced talent.

This morning when I checked, there were 166 active jobs on our Job List. I wonder if we could double that number if every employer here today would go online and post their available jobs on the Employment for Seniors website?

Or, maybe you’re someone who has witnessed firsthand the loss of self-confidence felt by a displaced older worker—and you are moved to make a difference by making a financial contribution.

Whatever your motives, whatever your talents, whatever your gifts: I hope you will make today the day you decide to get connected—or reconnected—to Employment for Seniors.

I’ll be doing that in June, during a strategic planning session with former board members, to determine how Employment for Seniors can help clients and employers even more.

After all, there is so much more to do.

But I continue to be inspired by people like Julian Marcus, our founder, and Clara Barton, co-founder of the American Red Cross.

Both of them were humanitarians in every sense of the word.

I’m convinced that if Julian and Clara had ever crossed paths, they would have been kindred spirits: Julian applauding and supporting Clara’s efforts to lead the Red Cross every step of the way—from her start at age 60, until her retirement at age 85—an incredible, 23-year run.

Let us all do the same, applauding and supporting efforts by Employment for Seniors.

Let us work together to make sure the greatest generation in Central Ohio right now—thousands of traditionalists and baby boomers with skills to use, young people to mentor and contributions to make—can continue bringing value to our workplaces, to our economy and to our lives.

Thank you.
Good morning! Graduates, congratulations! You did it!

Just as remarkable as today’s graduates are the families, for the unconditional love and encouragement they have provided through the years.

I want to thank these parents and grandparents. Your children are amazing. Thank you for sharing them with us, and in doing so, enriching our University.

Graduates, please join me in applauding your families for everything they have done to make today’s celebration possible. Let’s give them the ovation they deserve.

Graduates, today is the last time you walked into the Big House as a Michigan student.

When you leave, you will leave as alumni. You say goodbye to a period in your life that can never be repeated and will always be remembered for both its rigor and its freedom.

How many times this past year have you reflected on your career at Michigan? Where you found yourself—Michigan? Where you found yourself thinking:

This is the last time I’ll cross the dike.

This is my final bus ride to North Campus.

This is the last time I’ll spin the Cubie.

I know the feeling.

We are leaving Michigan together, graduates, you and I. Where you are embarking on a first job or an advanced degree, I am concluding 45 years in higher education.

I could not be more honored than to have my final commencement as a university president be with you, the Class of 2014.

For all my time at Michigan, it is you, the students, who have made the greatest impression on me. You have made me smile, you have inspired, and, yes, you’ve been an occasional source of frustration.

More than anything, you have made a permanent imprint on Michigan and its role as one of the world’s great public universities.

Fifty years ago, in this stadium, President Lyndon Johnson stood before the Class of 1964 and shared his vision of a great society. He spoke of vibrant, muscular cities; of unspoiled waterways and clean air; and of public schools where every child, regardless of income or neighborhood, received an exceptional education.

“You have the chance,” the president told students, “never before afforded to any people in any age. You can help build a society where the demands of morality, and the needs of the spirit, can be realized in the life of the nation.”

There was a reason President Johnson chose Michigan for proposing such an ambitious agenda. He knew—as we all do—that Michigan students make a difference. That morality and spirit are at your core.

Students have shaped this university’s impact for decades.

They worked to plant the first trees on the campus.

They welcomed a Latino student who had been rejected elsewhere because of his skin color—in 1877.

Students are responsible for the block M on the Diag, for co-ed living in the dorms, for demanding greater diversity … and for better seating at home football games.

I want to single out some students who, in my time on campus, have exemplified what it means to be engaged and in the fray.

I think of Chris Armstrong, a student government president whose agenda was fairly customary: better dorm food, more liberal housing arrangements, and lower tuition.

What set Chris apart was the fact he is a gay man. That made him a target. He became a national news story because of the very public bullying he endured.

Through it all, he remained true to himself and true to Michigan, and chose to speak out for equality, tolerance, and compassion.

He let it be known that an offense to one is an offense to all. Armed with dignity and education, he prevailed.

I don’t think I’ve ever been prouder of a student.

I remember Denard Robinson, for his artistry here on the Michigan Stadium turf, but more for his joy of being a student. A year ago at this time I ran into Denard and his family after commencement. He was showing everyone the campus, and he asked me to join in a family photo.

I have never, ever, seen a student-athlete embrace the collegiate life with greater gusto.

His enthusiasm was infectious, and he made all of us love Ann Arbor just a little bit more.

I remain inspired by Mohammad Dar, who was the first in his family to attend college while his four older brothers each went to jail. Paying for college was a struggle. His father declined health insurance and instead used the extra dollars for his son’s education.

It was a choice that proved fatal. He died from cancer during Mohammad’s junior year.

How did Mohammad Dar respond to this terrible blow? He chose to help others by leading the Michigan Student Assembly. He traveled to Lansing to
argue for more state support of higher education. He made it his work to give back, and continues that selflessness today as a physician.

I admire students like Courtney Mercier, Andre Wilson and Daniel Morales, who pushed us—and pushed us hard—to be a better university.

Courtney was incredibly persuasive in her demands that we be greener, and she drove our sustainability initiative. Andre advocated better health care for graduate students. Daniel was relentless about tuition equality for undocumented students.

These students gave the University of Michigan a stronger climate of inclusion, a greater respect for the environment, and increased awareness about the economic and legal challenges facing today’s families.

Deans, administrators and regents revise rules and create policies. But it is you, our students, who hold our feet to the fire. You move the conversation. You make change with your powerful arguments, your tireless commitment, and a thoughtfulness that surpasses your years.

These are the characteristics of Michigan graduates, and they will serve you well as you move forward with your lives.

As president, I should be giving you advice on this special day. I should encourage you to always exercise the critical thinking you learned here, and give back in the spirit of service that has long defined our university.

But I don’t need to tell you that. You will do well, and you will do right, no matter the paths you forge.

Instead, I want to thank you.

Thank you for making the University of Michigan stronger and smarter, for helping us to be more innovative and creative.

Thank you for being the talent our society turns to for better schools, healthier communities, and effective technologies.

And thank you for making my time as president the most fulfilling work of my career.

I began by saying we are all experiencing a bit of nostalgia, of knowing our Michigan moments are becoming fewer and fewer.

This is my last student story.

It is the 10th inning of the deciding game in the College World Series. The game is tied, two of your teammates are on base, and you step to the plate. You are a freshman. A national television audience is watching you, and only you.

Samantha Findlay does not blink. Not only does she hit the ball, she drives it deep into the left field bleachers.

What a moment. Rounding the bases, hearing the screams, knowing you just helped deliver the 2005 national championship—the first-ever for Michigan’s softball team.

It was so Michigan:

The competitive spirit.

The profound sense of accomplishment.

The reward of helping others be the best.

And the unbridled joy of being a Michigan Wolverine.

The University of Michigan is a university of students who want the best.

You are Courtney and you want a healthy planet.

You are Andre and you want equality and inclusion.

You are Mohammad and you want affordable education for all.

You, the Class of 2014, are our collective hopes as a society. With your dreams and discoveries, you will change the world more than you ever changed your university.

And that is a graduation gift for all of us.

For today, goodbye.

For tomorrow, good luck.

And forever, Go Blue!

It was called the Great War.

Never before had so many nations, on so many battlefields, with so many men waged such a long, violent, destructive war.

When the Armistice went into effect on the eleventh hour of the eleventh day of the eleventh month, it was regarded as the end of the war to end all wars.

But as we all know, it was not the war that ended all wars. Just over 2 decades later, the world was again mired in conflict.

Following the Second World War, a veteran of that conflict named Raymond Weeks had the idea to change Armistice Day to a day celebrating all veterans.

He believed that that all veterans—regardless of rank and nature of service—should be recognized for their service to the nation.

Weeks’s idea became a reality and his belief, now shared by the nation, is what we are called to remember today.

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Of course, the concept of honoring our veterans was not unique to the 20th Century.

As far back as the American Revolution groups such as the Society of the
Cincinnati were formed to remember fallen comrades and advance the ideals and values of the Revolution across America.

In the wake of the Civil War the Grand Army of the Republic brought together men who shared common experiences on battlefields like Antietam, Shiloh, and Gettysburg.

Out of that great family struggle was also born the Arlington National Cemetery, which today is the final resting place for more than 14,000 veterans.

There are now nearly 150 nationally recognized cemeteries and dozens of state cemeteries for veterans like this one, the Southern Nevada Veterans Memorial Cemetery.

What was recognized at the time of the Civil War is no less poignant for us gathered here today: the men and women who have fought and bled for our country deserve to be buried in a place of honor.

At Arlington, funerals proceed at a rate of more than 20 per weekday with grave sites flanked by proud but saddened family members and thankful members of the military.

At the end of the funeral a family member gingerly receives a precisely folded American flag...and every fold of the flag has a meaning.

The third fold is made in honor and remembrance of the veteran departing our ranks. It recognizes that the deceased devoted a portion of his or her life to the defense of our country.

That devotion is what we are called to remember today.

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When you walk amongst the monuments of this cemetery and read the names and look at the dates of service, you cannot help but be overcome with a feeling of gratitude for the devotion of those individuals.

One such monument is the USS CORVINA SS-226 Memorial.

The CORVINA and her crew were lost in the waters south of Truk Lagoon nearly 71 years ago.

They had departed from a still-recovering Pearl Harbor to take the fight to the Japanese fleet in Pacific.

It is believed they were engaged and sunk by Japanese sub number 176 on November 16, 1943.

They no doubt fought to the last and went down embodying the Sailor’s Creed to “represent the fighting spirit of the Navy and those who have gone before me to defend freedom and democracy around the world.”

On board were 82 souls. 82 sons of the United States Navy. 82 willing to make the ultimate sacrifice for our country. 82 names now etched on a monument.

When a submarine is lost at sea, it is said to be on Eternal Patrol.

And the sailors who man these vessels often times have specific prayers they say on occasions such as today and I hope you will bear with an Army man as I read you a few lines.

So, heavenly Father add his name to the roll of our departed shipmates still on patrol.

Let them know that we who survive will always keep their memories alive.

Those memories are what we are called to remember today on Veterans Day.

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I am so proud to represent the veteran community of Nevada’s Third District and will always support you in every way that I can.

Today is a day not just to recognize our veterans but also their families and our surviving spouses. All of them play an integral role in our national security—whether it be on the battlefield or on the home front.

Let all of us gathered here today resolve to take advantage of the opportunities given to us by those who went before us and do all that we can to ensure they are passed to the next generation of Americans.

I thank you.

May God bless and keep safe our men and women in uniform—no matter where they may serve, may His loving arms embrace and protect their families, may He continue to watch over our veterans and survivors, and may His face continue to shine on the greatest nation on His earth, the United States of America.
Thank you, Pfizer. I’m honored to be chosen to offer this “patient perspective” address. I come at this challenge from two very personal points of view—as a patient, and as veteran of the pharmaceutical industry.

It is a little weird though—a speechwriter giving a speech.

I can’t even use my usual line: If the speech goes well, it’s because it was beautifully written.

And if the speech goes badly—certainly, the speaker departed from the script!

This one’s…on me.

(PAUSE)

How many of you have ever had a moment so happy that you remember every second of it, playing out in sweet slow motion?

(ENCOURAGE SHOW OF HANDS)

Such was my experience 14 years ago today, December 4, 2000.

That’s the day my wife…Pam… and I returned home with our 10-year-old daughter, Paula, after a month-long hospital stay at the NIH.

Paula had made it through a four-hour operation to remove her adrenal glands, and after that, a serious pancreatic infection.

My parents had decorated our house for the holidays, and we stepped inside to their cheers.

Paula’s twin brother, Mike, hugged her tightly.

We all believed we were at the turning point of a three-year journey to solve a medical mystery—one that had profoundly affected the appearance and health of our brilliant and beautiful girl.

Paula and Michael were born on September 1, 1990. They came to us late in life but they were so welcome.

They were born seven weeks early but thankfully healthy. Paula, 4 pounds, 2 ounces at birth…was nearly a half-pound larger than Mike.

That difference in size did not last long. Mike grew much faster than Paula. By age 7, Mike was approaching the top of the growth chart. Paula wasn’t even on it.

After consulting with her pediatrician, we decided to try growth hormone. Six shots each week, for a year.

The initial results were encouraging, but over the year, Paula’s growth rate slowed. Then, it stopped.

More troubling, she had signs of much more serious endocrine issues.

Despite a healthy diet and good exercise, Paula rapidly gained a lot of weight, especially around her abdomen.

Her face, always elfin, became much rounder, moon-like.

She started having adolescent acne at age eight.

We asked for a consult with a top endocrinologist, and got one at Columbia-Presbyterian. She put Paula through a battery of exotic tests, some of them difficult and invasive, one of them requiring anesthesia.

The results were inconclusive. No smoking guns.

We would later learn that the results of endocrine tests could vary wildly.

In her eighth and ninth years, Paula continued to show signs of a body going haywire.

Her energy levels dropped to the point where was worn out by the daily activities of life.

More alarming, she showed signs of puberty…at age nine.

The endocrinologist at Columbia-Presbyterian proposed a theory—Pediatric Cushing’s Syndrome, characterized by abnormally high levels of cortisol—the “stress” hormone.

The big question: What was the origin? The brain? Or the adrenal glands themselves?

Paula had a rare disease, but it was more than that. It was ultra-rare. Hyper-rare. “PowerBall-winner” rare.

She was literally one in a million.

Fewer than 300 cases of her type had been identified.

We would learn the hard way that there’s no real playbook in grappling with a hyper-rare disease.

You are largely on your own. You can only hope that someone else out there is interested.

(PAUSE)

Thanks in no small measure to Pam, the Chief Medical Officer of our family, we found out that the NIH was interested.

Realistically, they were the only medical experts with some measure of experience in treating Paula’s condition.

In the fall of 2000, Pam took Paula to Bethesda—to the NIH clinical hospital—for three weeks of heavy testing.

They returned home with a diagnosis and a plan of action.

The diagnosis: Partially Pigmented Adrenal Nodular Disorder, characterized by Pediatric Cushing’s Syndrome.

Cause: unknown, probably a one-off genetic mutation.

Treatment: surgical removal of the adrenals, followed by a lifetime of oral cortisol.

Prognosis: good, if surgery was successful.

(PAUSE)

We consented to surgery, and one of the only surgeons with a viable track record in pediatric adrenalectomies agreed to come to the NIH and perform it.
It was scheduled for November 7, 2000…Election Day.

Paula returned home and started back to school. It would be a rough few months.

Physically for her, it was always the stress of “fight or flight.”

She responded by trying to control every variable in her life.

Her room was scrupulously neat, in stark contrast to her brother’s, which looked like a toy store had exploded in it.

She became obsessed about perfection in all she did.

Sometimes, we had to call her teacher, and beg her to tell Paula to put down her homework and go to bed.

Paula’s physical appearance made her stand out. A lot of kids, and some adults, stared at her. Some kids, and, I am sorry to say, even a few adults, made rude comments to her, or to us.

With bravery and grace beyond her years, she rose above it all.

She was a brilliant kid, and fascinated with business. She could read stock charts at age eight.

Her last year played out against the backdrop of Pfizer’s acquisition of Warner-Lambert, where I was chief speechwriter.

She even thought up a name for the soon-to-be-combined company…half Pfizer, half Warner-Lambert…”Pfize-A-Bert.”


Paula also became curious about death, and with the rituals around it. She asked if she could attend a wake and a funeral.

A distant, elderly relative died, and a funeral. Paula went in for surgery.

The next afternoon, the day of the famous 2000 “hanging chad” presidential election, Paula went in for surgery.

Paula’s life would end in a blaze of shouted instructions… the ringing of telemetry alarms… and the shock of watching an array of dials and gauges drift down to zero.

The room, once frenetic, went quiet. There were just the sounds of one resident at work, continuing to compress Paula’s chest.

I nodded to Pam…she nodded back at me…and I tapped the young doctor on the shoulder.

“Thank you,” I said. “You can stop now.”

An autopsy showed that Paula had died from sudden pancreatic failure. The trigger was the trauma of the surgery and the post-op infection.

Realistically, after years of being bathed in cortisol, many of her internal organs were weakened.

Over the weeks to come, we received thousands of letters, including one from Paula’s surgeon.

He described the shock and sorrow of Paula’s death.

He promised to review every aspect of Paula’s case, to see what lessons he and other surgeons could take forward from her outcome.

He wrote about framing a picture of a horse that Paula had drawn for him, and placing it above his desk.

Every one of his students, he said, would learn about her, and about the trust we invest in doctors…surgeons in particular.

It struck me. That’s the same trust that patients invest in us…we who provide their medicines and vaccines.

Eventually, I went back to work, as a new speechwriter for Pfizer’s new CEO.

Despite a lot of caring from my colleagues at work, I fell into a deep funk. Sometimes, I spent whole days not moving, just staring at a blank computer screen, replaying Paula’s final moments.

I sought help from my doctor. It came in the forms of a wonderful grief counselor and a treatment plan for depression.

I also began going to a support group, in my case, the local chapter
of a national organization called The Compassionate Friends.

This is the nation’s largest peer-help network for families suffering after the death of a child, at any age, and from any cause.

It’s a volunteer-centered organization, and I now count some of those volunteers among my closest friends.

One of the realities about the death of a child is that, through it, you are bonded forever with others who have gone through the same experience.

You learn that the experience touches all, from every walk of life, and transforms all it touches.

You listen to the stories of others, and they listen to yours.

We talk in this industry about the urgency of our work—that as the saying goes, “the patient is waiting.”

Nothing was sadder than meeting a parent on the wrong side of the wait for biomedical progress.

I can never forget one father who came up to me at a conference for the bereaved.

He wore a large button with the face of his young adult son, who had died from the effects of HIV/AIDS.

He knew I worked in pharma, and he took both my hands in his.

“If only my son could have held out a while longer…”

He was talking about the breakthroughs in retroviral therapy that came, for his family, just a little too late.

(PAUSE)

You can sense that the year following Paula’s death was tough. It took me ten months before I had a day where I didn’t replay those awful final moments.

But while my depression was lifted, it’s clear that Paula’s death has had a profound effect on our family’s health.

Is it a coincidence that in the past decade, Pam and I have faced many new medical issues, including cancer?

Sometimes I look at Pfizer’s areas of therapeutic focus the same way a kid reviews his baseball card collection... “Got that...got that...got two of those!”

My family also found ourselves at the forefront of the genetic revolution.

As more was learned about the human genome, researchers at the NIH determined that Paula’s syndrome wasn’t a one-off mutation.

It was an inherited condition, from me, and the NIH has been tracking me ever since.

In 2005, not two years after the decoding of the Human Genome project, the NIH asked if my parents would consent to genetic sequencing.

My parents never imagined themselves as pioneers in genomics, but they agreed to be tested, on the condition that the results would never be revealed to them, or to anyone outside the NIH.

They could not bear to know who was the carrier.

Our son, Michael, was also tested. Fortunately...and to our relief...he did not share Paula’s genetic sequence.

He did share Paula’s concern for those less fortunate.

Mike went on to raise thousands of dollars for research and education on the condition that doomed Paula.

His picture, with Paula’s, is still used for NIH’s patient and physician education materials on Pediatric Cushing’s.

From time to time, we get notes from parents who had much more positive outcomes, thanks to what they learned about Paula.

We are grateful that her legacy lives on.

(PAUSE)

Now, we’ve come full circle, from December 4, 2000, to today. Time has been the surest healer.

That said, these past few months have reminded us of the fragility of our existence, and the value of good health.

On a Saturday afternoon last August, Pam went out to pick up the dry cleaning.

She came back 20 minutes later, with the dry cleaning, and with the symptoms of a stroke.

It was a bolt out of the blue.

Fortunately, I recognized her distress and called 911 right away.

Fast action by the EMTs got her to the hospital quickly, but in the ER, she was in desperate trouble. Her lungs were filling with fluid and she was drowning in front of our eyes.

I was asked to leave the room.

“Jesus” I thought. “I’ve seen this movie before…”

Behind the curtain I could hear the lead doctor yelling to his staff...“Move! We need this now!”

At one point came the “thump” of a defibrillator at work.

The next few minutes seemed to take hours.

Finally, voices were calmed, order was restored. The curtain was opened. Pam was on a respirator, but stable.

The night would bring an emergency operation to remove fluid from around her heart, and the last rites of the Catholic Church.

But she made it through that night, and then, a second.

On the third night, Paula and Michael’s 24th birthday, I sat in Pam’s intensive care room, just listening, and thinking.

Her respirator heaved. Other machines buzzed and clicked and clacked.

Pam was connected to a rain forest of tubes and bottles.

I had a million thoughts.

What would the future be like?

Would she ever again live independently?

Would we be able to stay in our home?

And after enough time, my thoughts began to center on that rain forest of tubes and bottles.

Each had its own mission.

Medicines to fight infection and heal the brain.

Medicines to defend against another stroke.

Medicines to ease the pain, even to erase the memories of trauma.

There were therapies to hydrate and nourish...to balance electrolytes and hormones...to keep her body’s chemistry in order.

Then it hit me. Each of those medicines and machines...every one of them...represented decades of work by people like us.

Each started as a theory to be proved.

Each was tested in programs that took years to execute.
Together, these medicines were a stout defense against a brain injury that, a generation ago, would have reduced even the best doctors to “watchful waiting.”

There’s been much change in healthcare since I started with Pfizer 25 years ago.

But, in my view, what’s changed most profoundly hasn’t been doctors, nurses, or hospitals.

It has been the power, scope and utility of the medicines available today.

And that brings me to you. To us.

We all know from our discussions today and our work every day…that we are in a challenging business.

Let us always remember that it is a noble one.

We all recognize that that our industry has made huge advances…and mistakes.

That said, and again, in my view, we have led the way in reform, and change.

Yes, we in biopharmaceuticals can always listen better…and do better.

But I know of no other industry that is so introspective about the way it operates, and so willing to listen and respond to others’ points of view.

I know of no other industry that does more to help those who need…but cannot afford…our products.

I realize that it’s hard for people to believe that we are dedicated to doing the right thing—and that it is easy for critics to cling to the stereotypes of another place and time.

As we know—reputation is gained in inches and lost in miles.

But let me ask you this. When it comes to new therapies for the diseases that continue to plague humanity…who else is thinking…planning…and investing…a generation ahead?

Can you name another institution willing to risk a couple of billion dollars and a decade or two of hard work on a scientific theory?

If new therapies are to be, it’s up to us…Pfizer and companies like us.

And for us, there’s really no mystery about the path ahead.

We at Pfizer, on our own and in concert with others…have to continue to do what we have done for 100 years…invent great medicines and vaccines…and get the ones we have invented to many more people.

We just have to do it a lot faster…and more efficiently.

It’s that simple…and it’s that complex.

The topics of today’s meeting…patient-centered healthcare, Big Data, applied science…we have to put these concepts to work for us…because we don’t have a blank check when it comes to money, or time.

What we…and I stress…we…do over the next five to ten years will largely determine the role Pfizer will have in what promises to be a new golden age of medicine.

We have a great history, but at this moment, names like Pfizer and Erhard, Parke and Davis…Warner and Lambert…Searle…Upjohn and Wyeth…they’re just portraits on a wall.

It’s our company now.

What will we do with it?

I hope we will bring many more people…many more happy moments.

Like the one I had on September 4, 2014…Pam’s 61st birthday, five days after her stroke.

She came off the respirator.

She had no serious loss of motor function.

She had a droopy smile but it was a smile nonetheless.

She could not speak beyond the words “yes” and “no”…but she knew that it was her birthday.

Mike and I visited her, bearing a small chocolate cake. We started to sing “Happy Birthday.”

To our amazement, Pam began to sing along with us…her voice solid and strong and in tune, every word correct and clear.

Then, she put on a party hat…and joined us in birthday cake.

I will forever cherish that happy moment. The world was again Christmas morning.

(PAUSE)

Today, Pam is nearly all the way back…in part because of her expert medical care…in part because of her indomitable will…and in no small measure due to the medicines and vaccines that you and I helped invent and develop, manufacture, market and monitor.

In this, the season of happy moments, I thank you for the ones you have given me.

As we go home to celebrate the holidays, let us always cherish our true purpose at Pfizer: To offer many more people hope…for many more happy moments…to come.
I came to know Claire—I came to know how selfless, how loving, and how brave she was—through her mother and father:

Michael and Desiree.

One of our conversations happened a few days before Christmas.

They were sitting side-by-side in a waiting room, inside the Intensive Care Unit of Littleton Adventist Hospital.

Colorado—and really the whole country—were then still coming to learn what had happened to her.

One minute, Claire was sitting with a friend having cookies. The next, she stepped into harm’s way.

Only—Claire being Claire—she didn’t see it that way.

She saw a classmate armed with a gun and Claire, she approached him armed only with kindness and concern.

She asked, “What are you doing?”

When I was with Michael and Desiree in the waiting room, a doctor came in to talk to them about Claire’s prognosis.

He said if Claire woke up—the doctor had said.

Desiree had heard what the kind doctor said.

She heard him.

And she’d responded in the only way she knew how: with the story of the picture.

She told the story aloud. As if it were a proclamation to the universe.

You see, no one was going to tell Desiree there was no God in that picture because for Desiree that would imply…

… there was no light, no hope, in that room or in this world, for them and for their Claire.

Really, for us all.

[PAUSE]

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Really, for us all.

[PAUSE]
I approach today's installation and my service as president of the University of Michigan with a sense of both honor and humility.

As a lifelong educator and scholar, I am deeply grateful for the opportunity to make a difference in the lives of so many through leadership of our great public university.

I am pleased to be surrounded by the Board of Regents, faculty, staff, students, alumni and friends of the University, as well as many members of my family.

And to welcome and thank Gov. Rick Snyder and other elected leaders, Dr. Ruth Simmons, President James Duderstadt, academic leaders from across the globe, and colleagues and friends who have helped shape my professional and personal growth for being here today.

I want to thank the regents for the confidence they have shown in me, as well as the members of the University community for their welcoming embrace.

I offer special thanks to President Emerita Mary Sue Coleman for her remarkable stewardship of this institution. She has given us a faculty rich in intellectual diversity, a stunning physical campus, and numerous academic programs that are amongst the best in the world.

She has been particularly generous with her time, and at every turn gracious throughout this leadership transition.

I must also thank my spouse, Monica Schwebs, and our four children who are here today—Darren, Elise, Gavin, and Madeline.

I have somehow managed to maintain Monica’s love and support, while too often putting her in the position of trailing spouse. She is an accomplished attorney, a devoted mother and a profoundly supportive partner.

And to make up for those distant days when her much-too-serious son would not acknowledge her presence at the back of the classroom on parents’ day, I offer a very public “Hi, Mom!” and thank my mother, Lenore.

She and my father Aaron were a constant source of encouragement for an unusual kid who liked school so much that he never left.

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A love of learning, a longing for discovery, and a commitment to pursue the truth are the underpinnings of a great university. I am finding each of these here at Michigan in abundance.

Every day I am struck by the intellectual passion and sense of connection that Michigan instills in its students, faculty, staff, and alumni.

I have spent much of my first eight weeks as president exploring this exceptional place.

I am walking in new directions, and I am asking a lot of questions. I am meeting with students, staff, and faculty, learning their aspirations, what they are most proud of, and what they are anxious about as we move forward together.

More than anything, I am listening. There is no shortage of opinions or ideas, and they are always voiced with a desire to make Michigan better.

My thirteen predecessors have led this university with a keen eye on society’s challenges and our obligations as a public institution.

Henry Tappan in the 1850s shaped the modern American research university.

James Angell, who served for 38 years through 1909, was at the fore of making us a global university.

Alexander Ruthven, a zoologist, successfully guided us through two remarkable eras, the Depression and the Second World War.

Robben Fleming, an expert in labor relations and mediation, promoted civility during one of our nation’s most fractious decades spanning the Vietnam War and Watergate.

I am grateful for their collective leadership. They have helped to define and elevate our standing as the country’s first truly public university.

I too have aspirations for Michigan.

I am committed to enhancing the University’s already eminent standing as a place where gifted scholars focus on research, teaching, and mentoring the rising generation to become engaged citizens and tomorrow’s leaders in all walks of life.

This is our mission.

I will always remember my first day as an assistant professor at Johns Hopkins. After a decade as a graduate student, medical resident, and a post-doctoral fellow, I had finally arrived.

I had a big empty lab, a modest dowry of research funds, and the skills and values I had learned from my mentors.

It was a little scary, but also incredibly exhilarating.

The life of the mind, a life committed to discovery and education, is a life unlike any other. Being a professor at a great university, like Hopkins or Michigan, is a remarkable privilege.

I want Michigan to be a place where faculty always believe they can do their best work.

This means surrounding them with outstanding colleagues, students, and staff, providing cutting-edge infrastructure, developing the resources to support innovative research and teaching.
and last but not least, celebrating their successes.

In working with the regents, I will always ask how our investments in the future will make the University a stronger academic institution.

To make the good decisions that will help us achieve these goals, I first need to listen and learn.

Earlier I mentioned President Alexander Ruthven. He remarked that becoming a college president means becoming an object of suspicion.

“He often feels,” Ruthven said, “as if he had suddenly become the carrier of a mild infection or at least had a change in personality.”

I am unchanged. I have been a professor, a dean, a provost, and now a president. But first and foremost I am a lifelong student, and as such I am inherently curious.

As I discover our university and its people, and as we work together to create a vision of Michigan for the 21st century, our university’s third century, let us from the start agree on some central tenets:

• First, that we embrace our mission as a public institution as a bedrock principle, a privilege and a responsibility;

• Second, that the University of Michigan must be a diverse and democratic community, open, and accessible; and

• Third, that, as members of this community, we will always seek out, encourage, and value all voices.

***

First let me begin by considering our obligations as a public university, and how our contributions can and do change lives.

For the University of Michigan to maintain its prominence and broaden its impact, we must invest in fields where we can give life to our motto of “leaders and best.” Areas that leverage the phenomenal breadth of excellence across our campus, a reach almost unmatched in the academy.

And as an enduringly public university, with campuses in Dearborn, Flint and here in Ann Arbor, we must commit to research and teaching that meet the most pressing needs of our global society.

We live in a remarkable but imperfect world. Racial unrest, environmental threats, religious intolerance, and resource inequities all demand the academy’s attention.

Our response must include endeavors not only in science, technology and professional training, but just as importantly in liberal education, cultural understanding, civic engagement, and artistic expression.

We must seek partnerships that infuse our economy with talent and energy, and build an appreciation for our region’s heritage as a place of past and future innovation.

Second, as a public institution, we have a special obligation to extend the reach of our teaching and research across the full breadth of our society.

I firmly believe that we cannot achieve true excellence without leveraging the experiences and perspectives of the broadest possible diversity of students, faculty, and staff.

This is challenging work. Not only building a diverse student body, but also creating an inclusive campus climate that is open to difficult discourse.

Students of all experiences and backgrounds should feel they have a place in this community. We must continue to reach out to the most promising students, from our state and from across the nation and around the world.

Talent is uniformly distributed across the populace. But opportunity most certainly is not.

We must encourage every talented high school senior in Michigan to apply here.

Students and their parents must hear clearly and rest secure that the University of Michigan values curiosity and intellect, not ZIP codes or family income, and that we provide generous financial aid for those with need.

I did not grow up in a wealthy family. During my freshman year of college I travelled home every weekend to stock shelves and work as a cashier at a supermarket to help pay for school.

With income from work-study jobs, and with help from scholarships, need-based aid and student loans, I graduated on time from an outstanding university with an education and set of experiences that changed my life.

Not everyone is so lucky.

Too many Michigan students struggle much harder than I did to afford college, and I want to make things easier for them.

It is imperative that we keep tuition affordable and build the financial resources that allow students from across the full spectrum of society to attend Michigan, regardless of their economic circumstances.

It is why we are raising $1 billion in new support for undergraduate scholarships and graduate fellowships.

Michigan’s house must be big and its doors open wide.

“Good learning is always catholic and generous,” said our third president, the great James Angell.

“It greets all comers whose intellectual gifts entitle them to admission to the goodly fellowship of cultivated minds. It is essentially democratic in the best sense of that term.”

This democratic nature of our university extends beyond the academic realm.

Our medical enterprise trains health professionals and conducts cutting-edge research. But it is also a leader in providing advanced care to the citizens of our state and beyond.

Our arts programs nurture creativity, while also providing cultural experiences to area audiences.

Our intercollegiate athletic program builds community here and throughout the world. Most important, our student-athletes learn teamwork and competition, and obtain a world-class education.

Our commitment to the state and nation is fed by a desire to support communities and educate tomorrow’s workforce. This education is grounded not only in skills, but also in the principles and values of good citizenship, sustainability, creativity, and lifelong learning.
All of the University’s work—exceptional education and research, life-changing health care, arts promotion and economic development—demonstrates our public nature and our connectedness to the world.

Since 1817, the University of Michigan has existed to better society.

As we stand on the brink of our bicentennial, we should celebrate our achievements and our impact.

Ours was the first large state institution to be governed directly by the people of the state.

We were the first university to own and operate its own hospital, and the first to teach aeronautical engineering.

Our scholars have discovered organic free radicals and the gene for cystic fibrosis, furthering our understanding of human life.

Michigan alumni have written Pulitzer Prize-winning words and Grammy Award-winning music, soared into space, created Google and the iPod, and occupied the Oval Office.

Most important as we near our bicentennial is to position the institution for its next 100 years by clarifying our ambitions and remembering our mission.

Our ambition is to become the model public research university.

And our mission always will be to improve the world through research and education—to build a better place for our children and grandchildren.

There is no more noble and essential work, and I am honored to lead us forward.

***

This work is also, on occasion, uncomfortable. This brings us to my third tenet, to seek out, encourage, and value all voices.

Harold Shapiro, the University’s 10th president, used the occasion of his inauguration to shine a light on the dual, sometimes conflicting, roles of the academy.

We are, he said, both servant and critic of society. We serve society while also questioning and challenging its orders and principles.

This friction is how we evolve as people and nations, and it requires us always to encourage a wealth of voices.

One of the most important modes of learning is through discussion—in the classroom, at public lectures, in residence halls and in student organizations.

That is why I am concerned about recent trends that can diminish learning opportunities in a misguided effort to protect students from ideas that some might find offensive or disturbing.

Last spring, such accomplished individuals as former Secretary of State Condoleezza Rice, IMF Director Christine Lagarde, and Chancellor Emeritus Robert Birgeneau of UC-Berkeley were disinvited or felt forced to withdraw as graduation speakers at prominent institutions because others disagreed with their work, their presumed beliefs, or the organizations they led.

As provost at Brown University, I saw this firsthand when those who disagreed with Ray Kelly, the former police commissioner of New York City, shouted down and prevented his public lecture.

A related challenge to open discourse is the issue of self-censorship.

In the aftermath of this episode at Brown, for example, some students said they were hesitant to express their own opinions for fear of offending fellow students who themselves were offended by the speaker.

This type of wrongheaded courtesy and political correctness weakens the frank discussions that might otherwise lead to heightened understanding.

Ideas go unchallenged.

Opportunities for learning and growth are missed.

We fail as educators.

I recently read the autobiography of Robben Fleming, the University’s 9th president. As the 1960s erupted with protest, he acknowledged that college campuses are places of controversy.

But he worried that without a willingness to listen, sharp differences of opinion would tear the fabric of the university community.

“Is it too much to hope,” he asked, “that in this home of the intellect we can conduct ourselves with dignity and respect?”

President Fleming was himself a model leader for his ability to listen and negotiate.

Twenty-five years later, in 1994, the American Association of University Professors adopted a resolution reminding us that freedom of expression is “not simply an aspect of the educational enterprise to be weighed against other desirable ends.

“It is the very precondition of the academic enterprise itself.”

People have stood on this very stage and voiced unsettling opinions. Ross Barnett was the governor of Mississippi and a segregationist. He opposed the civil rights legislation of the 1960s and the integration of his state’s flagship university.

He was booed here, in 1963, but he was allowed to speak.

This is what great universities do:

We encourage all voices, no matter how discomforting the message.

It takes far more courage to hear and try to understand unfamiliar and unwelcome ideas than it does to shout down the speaker.

You don’t have to agree, but you have to think.

Today’s world can be dangerously customized. With news outlets like the Huffington Post or the Drudge Report, and with podcasts from across the ideological spectrum, we can pick and choose which ideas we are exposed to.

Too often, we make the easy choice.

We consume the news that justifies our own opinions, rather than seeking out viewpoints that challenge us.

It’s comfortable.

But by surrounding oneself with people who share common beliefs, we risk becoming intolerant and intellectually stunted as a society.

In today’s hyperconnected world, our graduates at some point will be exposed to people and ideas they find foreign, difficult to understand, or outright disagreeable.

Learning how to engage with such people and worldviews is one of the most essential skills we can teach.

And who will teach them if not us?
The fundamentally dual role of the academy, as servant and as critic, is more essential now, I would argue, than ever.

That is why I want Michigan to be known as a place where mutual respect does not require agreement, where differences of perspective are treated with sensitivity, and where we all become advocates for, and experts in, civil discourse.

Absent such an environment, we diminish ourselves as scholars and students.

We betray our commitment to discovery and truth.

And we fail our children, our world, and ourselves.

***

One of the great joys of devoting one’s life to the academy is to be surrounded by the optimism and energy of students. It’s palpable and it’s perennial.

Whenever I have a bad day—those days when you wonder if you’ll ever push the boulder to the top of the hill—I take a break and stroll the campus.

The enthusiasm of students, their resilience and sense of immortality, their passion and energy—it’s electrifying. Then I return to my office and feel like I can do anything.

This is part of our mission. To believe we can do anything.

To employ the power of ideas and our collective diversity of experience to solve important problems and strengthen lives and communities.

To challenge, and be challenged, with our heads and with our hearts, to lead and be the best.

To be Michigan, an exceptional global public university, where learning transforms lives and promotes economic progress, and where we pursue together understanding and discovery that will change the world.

Thank you. And Go Blue!
Now, as many of you know, SHRM publicly disagreed with many of these comments and findings, but one thing is clear: There are higher expectations for the HR profession now than ever before. And we have some work to do to meet those expectations and to lead the conversation on the future of this profession. Because that conversation is happening—and it will move forward—with or without us.

That’s what SHRM has been working on.

III. SHRM COMPETENCY-BASED CERTIFICATION

As you know, in 2011 we built SHRM’s HR Competency Model on the most extensive research of its kind. We engaged over 30,000 HR professionals, five research universities, and a host of employers to identify and validate what it takes to grow and succeed as an HR professional.

Businesses are already using this Model to focus the development of their HR teams. And HR professionals are using it to grow as all-around business leaders.

But models are of no use if they’re not applied.

So after years of research and discussion—including with our longtime certification partner, HRCI—we knew that the next evolution of certification should help HR professionals demonstrate that they had the knowledge, the skills, and the behaviors needed to excel in their careers today as business leaders.

And that’s what our new designations of SHRM Certified Professional and SHRM Senior Certified Professional will do, come January.

I have to tell you, I feel very fortunate to be affiliated with this Society at this time.

Because it isn’t often you get an opportunity to be a part of something like this—something that can make such a difference for so many people and so many organizations. And we have that opportunity right now.

So SHRM has been doing everything it can to make sure that this new program is at the quality level of all SHRM programs.

And because you are so critical to the success of SHRM certification, the Board, the leadership team, and I have been to over 80 events across this country—to your chapters and state councils—to hear directly from you. We’ve also hosted dozens of calls and webinars.

And your feedback made a difference.

For example, you said you needed to know what was new and different about SHRM certification. And for years, you and business leaders have been asking us how we make HR more of a strategic business partner.

So SHRM responded. We developed and released an improved Body of Competency and Knowledge, or BoCK, which reflects the modern and current HR skills—like technology impact, business acumen, leadership and employee engagement—critical in business today.

The SHRM BoCK finally sets that new standard for HR that is fully aligned with business expectations.

You also said you needed greater support from SHRM to play your role in promoting the new SHRM certification. And time and time again—over the past several years—you’ve told us how difficult it was to get approval for recertification credits.

So SHRM responded. We established our Preferred Provider Program at no cost, which takes the guesswork out of recertification and allows you to offer programs without pre-approval, as long as you’re in good standing with SHRM.

We did this because we believe that no one knows the education, training and program needs of your local members and community better than you. And we want to recognize that being affiliated with SHRM matters when it comes to recertification.

We also decided to provide enhanced support for your chapters and state councils based on the number of SHRM certified members you have at the end of 2015 and 2016. This is to help you bridge any revenue shortfalls as we launch the new certification.

Here’s one more thing you’ve told us over the past few months: You said you feel genuine pride in the letters after your name—as you should—and you asked if business will embrace this new credential.

SHRM has responded to this, as well. One example is our national campaign, “Advancing HR,” airing in some
of the top business markets across the country. It shows how you and SHRM are committed to driving business outcomes today. Take a look.

[CUE SHRM COMMERCIAL]

That’s just one way we’re making sure business knows SHRM is here for you—and for them.

You’ll see many more detailed ads in your areas targeted to employers. Here’s the ad that appeared this morning in USA Today.

[PAUSE]

And there are many more moving parts to making a major new initiative like this work.

For instance, we’re refining the SHRM-CP and SHRM-SCP exams with the help and feedback of over 1,000 HR professionals who sat for the pilot in October.

Overwhelmingly, they reported back to us that they liked the format, they thought the scenarios were realistic, and a majority of those who had taken other certification exams reported it was more—or even much more—relevant to their HR roles. All in all, almost nine out of ten people who took the exam said they’d recommend it to other HR professionals! So the response has been very encouraging. Thanks to all of you who participated.

We’ve also met with educational partners to offer programs for SHRM certification...and they’re excited about this! So far 185 schools across the country and 33 global organizations have signed on to deliver SHRM’s certification programs in 2015. And nearly 400 chapters and state councils have signaled their full support of this program.

Through this all-hands effort—by SHRM staff, you, and others—we’re on track to launch the SHRM-CP and SHRM-SCP, as promised.

We’re pleased that, as volunteer leaders, some of you will be among the first HR professionals certified by SHRM after taking the tutorial this week. That pathway opens to other certified HR professionals on January 5th.

We’re also on track to administer the first exams in May of 2015.

Based on the feedback we’ve gotten thus far from participants in the pilot and from businesses who have used the competency model tools, we’re confident that the SHRM-CP and SHRM-SCP will become the gold standard for HR professionals. It will be the most current, relevant, and efficient certification process in the market.

[PAUSE]

But make no mistake:

While we’ve been having this conversation within HR about HR for the past several months, there’s a much broader conversation that’s been happening outside HR about HR. And that must be our focus.

Business is telling us what they need from HR and we must deliver.

Our new Body of Competency and Knowledge and our new certifications are tools that prove that HR understands where business is today, where it’s headed tomorrow, and what our role must be within it. HR is the value proposition in today’s business environment, where people are the competitive edge.

We must have the vision and the commitment to lead the evolution of our profession. We cannot let others do this for us.

[PAUSE]

I’m always struck that it was only 60 years ago that Peter Drucker coined the phrase “human resources.”

So this is a young profession. It’s still growing. It’s still evolving.

Think about that and ask yourself: What’s next for HR? What’s best to move the profession forward? And how can we help more HR professionals rise to the level that businesses now demand?

These are the kinds of questions that SHRM has been asking for many years. And they’re the questions that help SHRM stay true to the original purpose of this Society: “To constantly promote and elevate the standards and performance” of the HR profession.

IV. SHRM VOLUNTEER LEADERS

When I look out into this room... when I visit your chapters and state councils around the country and our clients around the globe...I see HR leaders who live and breathe that same purpose.

I see it in your innovative programs that do everything from support veterans to close the skills gap to prepare the next generation for the workplace.

I see it in the partnerships you build with local businesses and educational institutions to meet talent needs in your communities.

I also see it in the way you give your time to serve as volunteer leaders and carry the SHRM banner.

You are the HR leaders, passionate about driving this profession. And you want to see it reach its full potential as the key business function it is.

So does SHRM. So do I.

V. CONCLUSION

Ladies and gentlemen, the state of your Society is strong. And I believe it’s stronger than ever because we’re taking our profession’s future into our own hands.

We can’t accept the status quo. This is a moment of opportunity.

So I ask you, as leaders of this profession...as the most active and engaged members of this Society...as the SHRM faithful...to join us in seizing this opportunity.

Let’s do what SHRM was created to do: Elevate and promote this most critical profession.

[PAUSE]

Thank you.