

FOSTERING LIVES *of* SIGNIFICANCE IN A WORLD *of* OPPORTUNITY



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Entrepreneurship

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Gaining a Global Perspective: p4
Supporting New Ventures: p15

FALL 2010



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Alumni Profile



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Supporting New Ventures



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From the Director



Expanding the Domain of Baylor Entrepreneurship

At Baylor, we believe in the pursuit of opportunity and the power of entrepreneurship. For nearly 35 years, the faculty and staff of the Baylor Entrepreneurship Program have dedicated themselves to the study, teaching, and practice of new venture creation and development. This long-term commitment has yielded decades of cutting edge research and a rich curriculum with over 20 undergraduate courses and 9 graduate courses in entrepreneurship.

From its leadership in research and teaching, Baylor's Entrepreneurship Program is recognized as one of the best in the world. Through continual pursuit of new and exciting opportunities, we have dramatically expanded the domain of entrepreneurship beyond the Hankamer School of Business, starting with our first expansion into Europe in 1991. Since then, we have continued to broaden our program to nurture and support entrepreneurship in many arenas.

For example, we developed a Certificate in Entrepreneurship for enterprising engineering students. The courses leading to this certificate are jointly taught by entrepreneurship and engineering professors, and provide engineers with the business skills they need to commercialize the technologies they develop. The Baylor Research and Innovation Collaborative (BRIC), the first project within the university's exciting new research park, will enrich and extend relationships between entrepreneurship faculty, engineers and scientists. The park will include a 300,000 square-foot facility to foster technology research and commercialization. Our program will have a major presence in this facility, where both professors and students from entrepreneurship and engineering will be working side-by-side to provide training, assist in business incubation, and conduct joint research.

For students in the Arts and Sciences, we offer an Entrepreneurship minor, allowing these students to master the skills

needed to start and operate a wide range of enterprises, including medical practices, community theatres, and fashion retail ventures. We are in the process of creating another minor in International Developmental Entrepreneurship. This program will show Baylor students how they can use their business and organizational insights to encourage entrepreneurship and address social problems in underdeveloped countries.

Baylor Entrepreneurship extends across the globe. We currently have four dynamic and popular for-credit programs in (quite literally!) the four corners of the world—Africa, China, Europe, and Latin America. While each program has a different focus, they are all organized to help students understand what it takes to succeed in an increasingly connected world and, in the case of Africa and Latin America, to realize that entrepreneurship can promote economic and social development in impoverished nations.

We are also expanding our relationship with alumni, and with the angel and venture capital communities. Many Baylor alumni entrepreneurs continue to play a vital role in the development of our program, including the two profiled in this magazine issue—Drayton McLane, owner of the Houston Astros, and Jay Allison, Ernst and Young's 2009 Entrepreneur of the Year. Our Baylor Angel Network has expanded to over 30 members in its brief history, and it continues to grow. These angels provide rich mentoring and internship opportunities for our students, invest capital in Baylor student and alumni high-potential new ventures, and support Baylor Entrepreneurship financially. And our relationships with venture capital groups have led to the creation of Venture Associates, a program that places MBA students in year-long internships with local venture capitalists.

As new opportunities continue to emerge in the 21st century—whether from technological, economic, political, or social change—we can assure you that Baylor Entrepreneurship will be there, making the most of them. It promises to be an exciting and productive ride!

AWARDS/ACHIEVEMENTS

#4 Undergraduate Entrepreneurship program – *Entrepreneur, The Princeton Review* (2009, national rankings)

#13 Undergraduate Entrepreneurship program; #22 Graduate Entrepreneurship program – *U.S. News and World Report* (2009, national rankings)

#6 Family Business program, Top 25 Entrepreneurship program – *Fortune Small Business* (2007, national rankings)

National Model Undergraduate Program – *United States Association of Small Business and Entrepreneurship (USASBE, 1996)*

National Entrepreneurship Educator of the Year: Bill Petty – *Acton Foundation for Entrepreneurial Excellence* (2008)

Max S. Wortman, Jr. Lifetime Achievement in Entrepreneurship Award recipient – *Ray Bagby* (2010)

#1 selling small business textbook for each of the past 50 years, published by Baylor faculty, latest edition – *Small Business Management: Launching and Growing Entrepreneurial Ventures*, 15th ed. (Justin Longenecker, Bill Petty, Les Palich, Carlos Moore)



KENDALL ARTZ
Director, Baylor Entrepreneurship Program



Investing in Innovation

Baylor Research and Innovation Collaborative



Baylor University has announced the creation of a new Central Texas Technology and Research Park, the region's first research park. The Baylor Research and Innovation Collaborative (BRIC) is the first project for the research park and will include a significant partnership with the Hankamer School of Business and the Baylor Entrepreneurship Program. The research park is a collaboration of Baylor University, Texas State Technical College (TSTC), The City of Waco, and a number of other regional education and government partners.

"The primary purpose of BRIC is to enhance regional applied research capability; provide cutting edge workforce training and development; encourage collaboration between higher education, business, industry, governmental entities and communities; and to encourage technology transfer and commercialization of research in order to foster economic development within the region," said Elizabeth Davis, interim provost of Baylor University.

Phase one of the BRIC development involves a \$20 million renovation of a 300,000 square-foot former General Tire facility that is located adjacent to the Baylor campus. The building will be ready for use in approximately 15-18 months. The funding for the project came from a partnership between Baylor University and the Texas State Legislature, which provided funding to TSTC for capital expenditures and

renovations for collaborative research projects. Each group provided \$10 million for the first phase of the project.

"Looking at other successful models for fostering economic development via university research parks and incubators shows that the broad support and collaboration already in place at Baylor is essential," said Greg Leman, director of University Entrepreneurial Initiatives. "These successful research parks also demonstrate the power of strong student engagement. It is an extremely potent learning experience for the students and provides affordable assistance for young and emerging ventures."

Leman added, "The infrastructure of the park and the BRIC itself is like hardware, and the network of committed partners can function like an operating system, but there also needs to be application software in place: the how-to of creating successful businesses from technical inventions. That software is what the Hankamer School of Business will need to provide."

As part of BRIC, the Baylor Business Resource Center (BRC) will provide a number of key services to support new venture development in addition to business incubation. Business assistance on a one-stop-shop basis will be available to incubator companies in a wide range of areas such as business planning, financial analysis, inventory control, marketing, and customer service.

Graduate entrepreneurship interns will manage the incubator under the supervision of a faculty member and will be instrumental in providing research and consulting advice to firms. In addition, student project teams, such as those now engaging in technology commercialization plan development in Leman's Technology Entrepreneurship classes, will collaborate with inventors and venture owners wherever they can bring value as they learn.

In addition to business consulting, the BRC will provide training for entrepreneurs and small businesses, will offer executive education workshops and seminars, and offer a regular speaker series. The BRC will also facilitate access to capital for new ventures through organizations such as the Baylor Angel Network, venture capital financing and SBA loan programs.

.....Caribbean

.....China

Africa

.....Europe

Gaining a Global Perspective

Entrepreneurship touches the lives of people on every continent and in every nation; therefore, the Baylor Entrepreneurship Program places an emphasis on international opportunities for students to gain a more global understanding of entrepreneurship. Currently, Baylor Entrepreneurship offers four international programs which incorporate course curriculum for students.

International Developmental Entrepreneurship in Africa

The Africa program is a six-credit experience that is directed by Baylor entrepreneurship professors Colene Coldwell and Kendall Artz. This program concentrates on understanding how entrepreneurial skills can be used to craft innovative responses to social problems in Africa. In particular, students study the ability of microlending practices to stimulate economic activity and alleviate poverty.

The entrepreneurship students receive 20 hours of classroom training before traveling to Africa. During this pre-trip portion of the program, the advice and best practices of successful practitioners and institutions are brought together to help the students explore why and how microfinance operations have grown to provide financial services to poor and low-income people on a sustainable basis.

The students then travel to Rwanda for two and a half weeks in May. While in Rwanda, the entrepreneurship students partner with Urwego Opportunity Bank and its clients to gain practical experience in microlending to assist bank clients with business development. The students also provide



entrepreneurship training to Rwandan entrepreneurs through their involvement with local business groups, church leaders and government organizations.

Through this program, the Baylor entrepreneurship students seek to make a difference in the lives of African entrepreneurs by sharing information and experiences, solving problems, and establishing positive relationships. The students themselves learn about the characteristics and contributions of emerging enterprises in Africa as well as the challenges facing a small business owner in a complex and very challenging environment. Perhaps most importantly, the students complete the program with a more thorough understanding of their ability and responsibility to use their entrepreneurship skills to help solve social problems throughout the world.

The European Entrepreneurship Experience (E3)

In the summer of 2008, entrepreneurship professors Les Palich and Marlene Reed incorporated a new five-week summer class into the Entrepreneurship program offerings. The class, which offers six hours of credit to undergraduate students, begins in Prague, Czech Republic, a few days after graduation and concludes in London around the first of July. The focus of this program is on business plan development around new venture ideas generated by the students.

A past sabbatical taken by Marlene Reed provided the impetus for the Czech Republic portion of the trip. Several years ago, Reed spent her sabbatical there and had written a number of cases about entrepreneurs who started their businesses after the Velvet Revolution in Czechoslovakia. While the class is in Prague, the students discuss the cases and then meet the entrepreneurs who are the subjects of the cases. The students also visit the Skoda Automobile Company (now owned by Volkswagen) and Terezin, a concentration camp from World War II.

After leaving Prague, the class travels to Vienna, Salzburg, Munich, Milan, Geneva, Paris, Caen, and finally London. In each of the cities, the students are able to meet entrepreneurs as well as managers of larger businesses such as the BMW plant in Munich and Bucherer's Jewelry in Geneva—the original distributor of the Rolex watch.

In addition to the business visits, students learn about local culture by taking tours of the most important historical venues and museums in each of the cities. One of the highlights of the class in the Caen, France, area is the day-long visit to the Normandy Beaches.

Entrepreneurship in the Caribbean Region

This study abroad program offers students a chance to explore entrepreneurship in the Caribbean region while earning a maximum of six hours of course credit. The program is directed by Les Palich, with assistance from David Allen, the director of Baylor's John F. Baugh Center for Entrepreneurship. Though the program has been located in three different countries—Cuba (2002-2004), the Dominican Republic (2006-2009), and Costa Rica (2010)—the emphasis has always been on the start-up and management of business enterprises in the Latin world.

Before departure, students are briefed on the culture, history, economy, and commercial opportunities of the country. After their in-country experience, students spend 20 hours with entrepreneurship faculty as they complete assignments, including business plan development, case research on companies visited, and consulting reports for local enterprises. Following a holistic model of international business, the program emphasizes the importance of relationship building through a broad understanding of local business practitioners and in-person contact with local entrepreneurs.

The students spend the last two full weeks of May in-country. During that time, they visit entrepreneurial companies from industries as varied as pipe manufacturing, baked products and coffee production. They are also briefed by central bank personnel, U.S. trade promotion representatives, and experienced local business leaders. Because eco-tourism is very important in the Caribbean region, students visit parks and reserves—featuring rainforests, volcanoes and world-class beaches—and enterprises catering to the needs and adventure-seeking interests of tourists. Students also visit culturally important sites and institutions, such as museums, theater venues and national monuments, to provide a more well-rounded understanding of the country and its people.

Technology Entrepreneurship in China – the i5 Program

The Immersion into International Interdisciplinary Innovation (i5) program enables teams of students drawn from technical and business backgrounds in both China and the U.S. to be immersed in the innovation process that actual ventures are engaged in. Companies fund the teams and gain real help from the faculty and students, not only in validating a particular innovative product opportunity, for example, but also because they learn to use a globally proven toolkit for bringing technology to market. That toolkit is the Supercoach® Entrepreneurial Training curriculum, and it is embedded into our program. Previous i5 firms include global companies like HP, firms based in the U.S. doing business in China, and start-up ventures housed in incubator sites in China.

The six-credit program is designed and directed by entrepreneurship professor Greg Leman, with collaboration from multiple faculty members within the Hankamer School of Business and the School of Engineering and Computer Science. In late May, team leaders join their sponsors for a four-day workshop in Shanghai where the entire process is reviewed and the assessment begins. Those team leaders then become interns at the sponsors' locations around China where they continue working on the

project and plan for the second half of the summer, when they will have their international teams gathered around them.

In July, about 20 Baylor students and 20 students from partner schools in China join their team leaders in Hong Kong to kick off the team phase. By assessing the ventures' strategy, technology/product plan, market and sales plan, competitor and alliance assessment, and operations and finances, they weave the story line for the business so that it can be told in a compelling way in 30 seconds, 30 minutes and on 30 pages. In the middle of this journey, the course site moves from Hong Kong to Shanghai, where the sponsors reconvene in early August to receive the deliverables and hear the team presentations.

Students also experience “real life” in China as they work on a multicultural team for an operating company and travel to cultural sites around Hong Kong and Shanghai. They also enjoy the Yangtze river cruise/3 Gorges Dam, Beijing and other cities that vary from year to year.

www.baylor.edu/business/intl_entrep

Passing the Torch: Family Business Succession

by Franci Rogers

Helping family businesses create and maintain healthy successful companies—and family relationships

—is the goal of Baylor’s Institute for Family Business, which was founded in 1987. Bill Worthington and Jamie Collins, both assistant professors of Entrepreneurship, and John Schoen, adjunct faculty in Entrepreneurship, are striving to find new ways to support family businesses and those who work with them.

“When a business is a *family* business, there’s much more at stake,” Worthington said.

To that end, Worthington and Schoen began studying the ways family businesses plan transitions in leadership positions. They set out to discover how family businesses work

toward developing successors and how, when and why leaders chose to leave their positions.

“In India, 52.2% of leaders said they planned to work in their current position until they died.”

The project began by Schoen looking at select financial planners from across the nation, who were advisors to family businesses, asking them about how and when their clients planned to step down from their leadership roles in their family business. The next step for the researchers was to collect similar data from Texas family business CEOs. The final group surveyed was 269 farm or ranch CEOs of the top-producing agricultural family businesses in the nation.

After studying the data collected, the researchers broke down the retirement decision making factors from most to least important—leadership succession and ownership transfer were considered least important.

Their findings led Worthington and Collins to team up with Schoen, through a grant from Baylor’s McBride Center for International Business, to collect data from family businesses in India. Their research focused on those two last-considered factors in the U.S. survey findings: leadership succession and ownership transfer.

For their research, the team collected data from 265 Indian family businesses, with an average age of 25 years. The oldest firm had been in business for 200 years. The businesses surveyed employed between 14 and 540 people.

“Family businesses are so prevalent in India,” Collins said. “We estimate that as many as 75 – 80 percent of all businesses in the U.S. are family businesses, but there may be even higher percentages in developing countries.”

“In the U.S., the number of leaders who plan to work until they die is around 16%.”

When the CEOs of the Indian businesses were asked when they plan to retire or turn over leadership of their companies, an astounding 52.2 percent said they planned to work in their current position until they died.

“In the U.S., the number of leaders who plan to work until they die is around 16 percent,” Schoen said. “And I thought that was very high.”

In addition to their findings that Indian CEOs intend to maintain ownership control of their firms until their deaths, the researchers also found that CEOs prefer that one of their sons (preferably one who has worked extensively in the family business) become the new leader. For those who intend to retire or scale back on their involvement, most desired to move away from day-to-day concerns of the company, but wanted to maintain social and family relationships. And, as in the U.S., Indian family business leaders are not focusing on issues of continuity planning, ownership transfer or leadership succession.

“We hope that by providing behavioral insight to these estate planners and financial planners, we can help them develop better solutions,” Collins said. “Instead of looking just at financial transfers, they need to look at the behavioral issues too. Better solutions come from having a foot on both sides.”

The Baylor trio hopes to extend the current survey geographically and is looking for funding to do so. They hope to expand into Latin and South America, Russia and China.

Mitchell Neubert, Kevin Dougherty and Jerry Park “National Study of Entrepreneurial Behavior, Regulatory Focus, and Religion.” National Science Foundation, \$396,000 (January 2010 – December 2012)

Explore the impact of religious communities (churches, synagogues, temples, mosques) on individuals’ regulatory mindsets and entrepreneurial behavior in the marketplace. Over the course of three years, the research team will test the extent to which specific values and practices within religious communities are conducive to heightened entrepreneurial activity.

J. David Allen, Kendall Artz, Les Palich, and Marlene Reed “Utilizing Innovative Technology to Improve Living Conditions of Surrounding Communities.” General Secretariat of the Organization of American States, \$50,000 (January 2009 – May 2010)

Determine how to commercialize portable mini-mill technology to produce bio-fuel from sugar cane and sweet sorghum in the Dominican Republic, Haiti and throughout Latin America. The mini-mill technology encourages sustainable development and has the potential to significantly improve living conditions in impoverished areas.

Mary Abrahams, Kendall Artz, Greg Leman, and Sherry Ward “Entrepreneurship and Creative Leadership: Engaged Learning Group.” Baylor University, \$54,000 (August 2008 – May 2010)

Develop a three-semester, team taught, new venture development-based course for multidisciplinary freshman entrepreneurship students that focuses on creativity, project development and ethical leadership. This course will become a regular part of the entrepreneurship freshman curriculum.

Greg Leman and Cynthia Fry Kern Foundation KEEN grant, \$50,000 (June 2008 – June 2010)

Create a KEEN Fellows program to assist engineering faculty in embedding entrepreneurial content into their courses; formalize and name the KEEN Technology Entrepreneurship Certificate for Engineers; and implement an intense, hands-on, coached learning experience to accelerate skills acquisition in entrepreneurship engineering courses.

Greg Leman “Pico Hydropower Franchising: A Testbed in Rural Honduras.” NCHIA Sustainable Vision Grant, \$50,000 (January 2008- June 2010)

Support the development of business plans for two types of businesses: franchised power-producing operations companies located in rural villages and system design companies located in nearby urban areas.

Greg Leman and Cynthia Fry “Industrial Grant for Technology Entrepreneurship.” Hewlett-Packard Corporation, \$150,000 (October 2007 – October 2010)

Support of technology entrepreneurship in general, with \$50,000 support to develop a two-course sequence for engineering and computer science students in technology entrepreneurship, and \$100,000 to support the Technology Entrepreneurship in China summer program.

BAN

Baylor Angel Network

In fall 2007, a few Baylor alumni who had become successful entrepreneurs partnered with the Baylor Entrepreneurship Program to create the Baylor Angel Network (BAN).

This group of angels consists of Baylor alumni and friends of Baylor who recognize the benefits to the Baylor entrepreneurship community of providing aid in the form of capital and/or expertise to build their businesses. In an era when venture capital groups are reluctant to fund early stage start-ups, angel investors are one funding option necessary to keep the start-up environment thriving.

In its relatively brief existence, BAN has grown to include nearly 30 angels. These angels pay an annual fee to gain access to quality and screened investment opportunities from Baylor alumni, students and friends, and have the opportunity to invest with other highly qualified angels. BAN acts solely as a facilitator of the investment process, providing members with a method in which they meet, view, analyze, and monitor investment opportunities.

Quarterly screening and investment meetings are held on the Baylor campus. At these meetings, the angels have an opportunity to participate in the initial review of pre-screened investment opportunities, and to listen to presentations from approximately four companies seeking investment capital.

Members of BAN are important resources to the Baylor Entrepreneurship Program, adding depth and breadth of business and industry expertise. While one obvious goal of BAN is to provide attractive returns for its members and funding for Baylor student and alumni entrepreneurs, its primary purpose is much broader.

For example, the angels commit to assisting in educating entrepreneurship students through such actions as guest lecturing in entrepreneurship courses, mentoring current students, serving as judges in Hankamer School of Business competitions, and providing internships.

“We feel like it is a win-win situation where students who are involved get great benefit, investors benefit from having investment opportunities, the Business School benefits because investors agree to

share part of their gains ... the spirit is to share any opportunity, any gains with the Business School,” said Bill Petty, executive director of BAN.

Another benefit of BAN is that entrepreneurially-minded students are offered internship opportunities. One such opportunity is for students to intern for BAN. Indeed, one of the unique elements of BAN is that much of the day-to-day operations of the network are managed by a group of current Baylor student interns.

These student interns manage the deal flow, conduct the initial due diligence of the deals, and present the deal to the angels. The students are also responsible for organizing and coordinating the quarterly BAN meetings.

Taylor Tomasini, a 2009-2010 BAN intern, said the network has provided a glimpse into the world of entrepreneurs and angels.

“To a student, the value of the Baylor Angel Network lies in the exposure you get and the experience,” Tomasini said. “For me, the Baylor Angel Network has allowed me to see what private equity is like and what angel investing is really like. Most undergrads don’t have practical experience, and the network is very practical.”

BAN also provides a financial benefit to the Baylor Entrepreneurship Program. As a requirement of membership, angels are expected to share a percentage of revenue received from their investments with the program. While the percentage of earnings shared ranges from 100 percent to 20 percent, all angels recognize that the primary purpose of BAN revenue is to support the immediate and long-term development of the entrepreneurship program.

As noted by Kendall Artz, director of the Baylor Entrepreneurship Program, “We anticipate that BAN revenue will be an important source of funding that will be used to facilitate a wide-range of entrepreneurship initiatives intended to improve teaching, research, programming, and outreach.”

www.baylorangelnetwork.org

Contact Bill Petty at director@baylorangelnetwork.org

Survival of the Fittest

For Steven Bradley, assistant professor of Entrepreneurship, his experiences as a founder in several start-up ventures shape his current research interests in the survival and performance of new firms. His background training in engineering led to consulting work while he also pursued investment opportunities in fields of real estate and educational sales with his father, who is also a professor.

“We started our businesses with knowledge of market demand but with very little capital,” Bradley said. “Not having a business background, we were wary of taking on debt or equity, which might have been useful for faster growth. On the other hand, we learned to be very creative in finding resources necessary to generate business, meet customer needs and generate a profit. ”

Bradley’s companies were initiated during the “dot-com” period when venture capital was readily available. Bradley was surprised by the lack of fiscal discipline required by the new business models in contrast to the resources constraints that are often the norm for new ventures. When many of the “dot-coms” eventually failed, it led to his on-going research interest of when resources help new

firms and when greater resources can potentially hurt business performance.

His research interests have led to several publications. Bradley and coauthors, Howard Aldrich, Dean Shepherd and Johan Wiklund, recently had an article accepted at *Strategic Management Journal* entitled, “Competition, Resources, and Environmental Change: Asymmetric Paths of Young Independent and Subsidiary Organizations.” They discovered that, while independent firms had higher failure rates after founding than subsidiaries, they were more likely to survive during a subsequent economic downturn. Independents faced competitive pressures earlier than subsidiaries and also learned how to use their more limited resources to improve survival chances.

Bradley’s interest in resources has also led to research overseas in Kenya and the Dominican Republic.

“Microfinance has received considerable publicity as a solution to poverty,” Bradley said. “However, our research is finding that there is a greater scarcity of good business ideas than capital, and it is the innovative ideas that are more closely tied to poverty alleviation.”

Bradley summarized, “Our research findings across a number of contexts are supporting the adage that ‘necessity is the

mother of invention.’ However, we are also finding that ‘limited resources are the mother of necessity,’ forcing firms to find a way to make their business work, which actually improves competitiveness in the long-run.”

Research Profile



Baylor Partners with USASBE for Student Case Writing Competition

In order to promote case writing as a vehicle for student research, the Baylor Entrepreneurship Program is partnering with the United States Association for Small Business and Entrepreneurship (USASBE) to sponsor an annual Student Case Writing Competition to be held at the annual USASBE conference. USASBE is the largest independent, professional, academic organization in the world dedicated to advancing the discipline of entrepreneurship.

Students who are interested in participating are asked to submit a case written by that student, either individually or with a team, by Sept. 1, 2010, at the following Baylor Entrepreneurship website: www.baylor.edu/business/entcwc/.

An instructor’s manual is also required as an accompaniment to the case. The instructor’s manual anchors the case in the theory of entrepreneurship and also provides guidance to instructors who may wish to teach the case in a classroom setting.

Cases submitted should advance the field of entrepreneurship, broadly defined, and contribute to an understanding of entrepreneurial phenomena. The cases are required to be original and developed either through secondary research from published sources or by direct field research, which would include interviews with the entrepreneur(s).

After the cases and instructor’s manuals are reviewed by members of the North American Case Research Association (NACRA), the authors whose cases are deemed worthy to be presented at the meeting will be notified of their acceptance. The accepted cases will then be presented on Thursday, Jan. 13, 2011, at the USASBE Conference in Hilton Head, S.C. The presentation of the cases will be judged by seasoned case writers, and the winners will be announced at a luncheon that day.

The following prizes will be awarded at the luncheon: \$2,000 for first place; \$1,000 for second place; and \$500 for third place.

Greg Leman: “Come and See”

Christ’s invitation to the apostle Andrew to “come and see” (when Andrew asked where Christ was staying) is a theme that Greg Leman, director of University Entrepreneurial Initiatives, has adopted to describe his work.

He enjoys planning adventures and inviting others along—perhaps a throwback to being big brother to seven younger siblings. Along the way, it has been his ability to see connections among diverse and disparate things that has made him an innovative solutions provider. Lela, his wife of 32 years, says his greatest fear is boredom, so expect to find him going after the new adventures that will always call.

Attending Purdue University, Leman earned a BS in Chemical Engineering, a field which he said gave space for creativity and the chance to contribute work on problems such as energy, medicines and environment. Working on a team with the top engineering scientist at Dow Chemical, he was inspired to take a leave of absence, move a young family to Champaign, Ill., and pursue a PhD in Chemical Engineering.

Leman’s subsequent career in specialty chemicals led to patents; international assignments spanning the UK, Germany and Asia; and a progression from scientist to growth-oriented business leader. Through his work experiences, Leman learned lessons that now guide his philosophy as an educator: 21st century leadership demands an integration of business, technical and cultural competencies.

At Baylor, Leman’s job is to connect the rest of campus to entrepreneurship.

“Greg Leman is uniquely qualified to lead our efforts to expand and strengthen our ties to non-business disciplines, especially in the science and technology arenas,” said Kendall Artz, director of the Baylor Entrepreneurship Program. “His technical and business background and his high energy level combine to make him a natural at creating intersections between disciplines.”

As a professor, Leman’s adventurous disposition has proven inspirational to his students. Joshua Hosler, a student from Leman’s fall 2009 Corporate Entrepreneurship class, said he enjoyed the “free thinking” of the class.

“I love entrepreneurship and innovative thinking,” Hosler said. “A lot that I learned in the class will be with me my entire life. Every day was a new experience—a new challenge of how I could think differently.”

In partnership with Baylor’s School of Engineering and Computer Science, Leman launched the Technology Entrepreneurship Initiative (TEI). TEI enfold several new opportunities for students to “come and see” in a learn-by-doing environment. Some examples:

- ❖ A Technology Entrepreneurship “track” for engineering students culminating in a Certificate.

- ❖ Development of an elective course in Corporate Entrepreneurship for entrepreneurship upperclassmen and MBAs.

- ❖ Creation of a workshop-style course in Technology Entrepreneurship (TE) in which cross-disciplinary teams on campus collaborate with companies to take a technical innovation and develop the validated, compelling entrepreneurial story.

- ❖ Creation of the iS program in China, in which MBA candidates receive internships from corporations of all sizes in China. The MBA candidates lead cross-disciplinary teams comprised of Baylor and Chinese students to deliver results to the firms. 2010 is the fourth year for iS and engages 50 students—25 from Baylor and 25 from China.

Looking forward, the establishment of the Baylor Research and Innovation Collaborative (BRIC) will be a strong factor in taking this effort to a new level. It will provide a natural “seedbed” for technology business growth, and thus create a host of opportunities for students as well as faculty to “come and see” how to use technical insight to meet people’s needs and create value. Leman hopes to continue his role as “adventure leader” in this new and exciting phase at Baylor.

Faculty Profile

M. Jay Allison

BBA ’78, MS ’80, JD ’81

2009 Ernst & Young Entrepreneur of the Year

Although Jay Allison’s business involves the oil fields, one could say his work ethic first went into play on the football field at Baylor.

“Playing football under Coach Grant Teaff taught me to continue to give my best—no matter what,” he said. “I remember my freshman year at Baylor, we were behind at half-time against the University of Texas and overcame a 24-point deficit to beat them. We went on to play in the Cotton Bowl in 1975.”

Backed by his belief of giving his best effort, Allison went on to earn not one, but three degrees from Baylor. Before embarking on his career, Allison built a strong academic foundation that would benefit him in the future.

“My thought was that once you start school you should stay in until you have earned all the degrees that you will need while you are in that phase of life,” he said. “Once you enter the working world and have a family and incur debt, it is harder, in my opinion, to go back into the world of education.”

Following his football days, Allison switched to the game of finding oil and gas. Using his law degree, he gained exposure to the industry as a practicing oil and gas attorney for the firm of Lynch, Chappell & Alsup in Midland, Texas.

In 1983, Allison’s entrepreneurial instincts kicked in. He co-founded a private independent oil and gas company, which acquired Comstock Resources in 1987. Allison currently serves as chairman, president and CEO of Comstock Resources. He has experienced success first-hand through witnessing the rise of Comstock Resources, which is based in Frisco, Texas. The independent company is engaged in oil and gas acquisitions, exploration and development.

Allison was recognized for his entrepreneurial drive by being named the 2009 Ernst & Young Entrepreneur of the Year national winner in the Energy, Chemicals and Mining category.

“Somewhere along the road you realize that what you had dreamed would happen has been greatly exceeded,” he said. “Comstock started out over 20 years ago with virtually no assets and no financial backing, and today we have billions in assets and great financial strength.”

Alumni Profile



Becoming a successful entrepreneur takes time, but with a little patience and determination, aspiring entrepreneurs can unlock their potential.

“Keep an open mind to discern what you are passionate about, then on a daily basis, take steps toward accomplishing that dream,” Allison said.

Allison maintained his ties with Baylor through serving on the university’s Board of Regents for nine years. He and his wife were the lead donors for the Jay and Jenny Allison Indoor Football Practice Facility, which opened last fall.

Allison is grateful for his good fortune, and maintains a positive outlook in life while keeping the important things in mind. “Give your best, love your family, treat all people with equal respect no matter their occupation or place in life, and honor Christ in everything.”

Drayton McLane, Jr.

BBA '58

Chairman,
McLane Group

Chairman & CEO,
Houston Astros
Baseball Club

Drayton McLane, Jr. unknowingly began building his legacy while he was just a boy working for his father's wholesale grocery distribution business, which was started by his grandfather, in Cameron, Texas. Years later, after graduating from Baylor with a BBA and earning an MBA from Michigan State University, McLane went back to work at the family business.

He started with loading trucks on the night shift, working his way up to president and CEO of McLane Company in 1978. McLane acknowledged the importance of understanding all company operations in order to become an effective manager.

"Current business students should get as much practical experience as possible, particularly in the summer when they can do internships in an area of business that really interests them," McLane said. "Even if they don't get paid for it, I would suggest they work for a company at its lowest entry level position so they can learn how to manage the business."

After utilizing technology to enhance the company's distribution system, he led McLane Company into becoming a multi-billion dollar enterprise. The business merged with Wal-Mart Stores in 1990, and McLane served as chairman of McLane Company and vice chairman of Wal-Mart. In 1993, he resigned both positions to become chairman of McLane Group, a holding company founded in 1992. Meanwhile, McLane purchased the Houston Astros, a Major League Baseball team.

McLane stayed involved with Baylor by serving as a Trustee/Regent from 1988-2006, which included a term as Chairman of the Board from 2002-2004. In February 2010, Baylor Regents recognized McLane with the lifetime designation of Regent Emeritus, an honor bestowed only upon eight other individuals from Baylor.

Along with serving on numerous civic and charitable committees, McLane has been a generous supporter of Baylor, giving to scholarship funds, academic programs and capital projects. McLane established a full tuition scholarship for an undergraduate

student to experience the type of education he had received. The Drayton McLane, Jr. Scholarship is awarded each year to a Baylor Entrepreneurship major. Through his generosity, McLane is paving the way for students to become successful entrepreneurs.

"I just wanted to assist our future leaders," McLane said. "Baylor is a high quality, Christian school with one of the finest business schools in America, but many students need financial assistance to be able to attend Baylor. I think it is inspiring to young students to see that graduates of Baylor are so excited about the quality of education, Christian ethics that we received, and we want the next generation to have that experience as well."

Baylor Entrepreneurship Curriculum

The innovative and integrated curriculum at Baylor is designed to provide all entrepreneurship students a broad, highly applicable skill set.

However, with **over 20 undergraduate and 9 graduate dedicated entrepreneurship courses** offered

each year, students also have the flexibility to pursue specialized concentrations in a number of important areas including family business, technology, social, corporate and global entrepreneurship, or to tailor their own curriculum to meet their unique learning goals.

UNDERGRADUATE COURSES INCLUDE:

- ❖ Entrepreneurship and Creative Leadership (freshman experience)
- ❖ Starting and Managing a Business (for non-business majors)
- ❖ Entrepreneurial Process
- ❖ Entrepreneurial Finance
- ❖ Entrepreneurial Business Plan
- ❖ Managing the Family Business
- ❖ Social Entrepreneurship and Economic Development
- ❖ Franchising: Franchisee & Franchisor Perspectives
- ❖ Corporate Entrepreneurship: Initiating and Sustaining Innovation
- ❖ International Entrepreneurship
- ❖ Technology Entrepreneurship
- ❖ Entrepreneurship in the European Union
- ❖ Technology Entrepreneurship in Asia
- ❖ Entrepreneurship in the Caribbean
- ❖ Social Entrepreneurship: Microfinance and Economic Development in Africa
- ❖ Entrepreneurial and Strategic Management
- ❖ Entrepreneurship Internship

GRADUATE COURSES INCLUDE:

- ❖ Entrepreneurial Finance
- ❖ Creating Value through Growth and Harvest
- ❖ The Entrepreneurial Start-up: Opportunity Recognition and Venture Launch
- ❖ Seminar in Business Plan Case Competition
- ❖ Entrepreneurial Field Studies
- ❖ Technology Entrepreneurship
- ❖ Venture Capital Associates
- ❖ International Entrepreneurship
- ❖ Baylor Angel Network Practicum

At Baylor, entrepreneurship is viewed as a multidisciplinary program. A number of entrepreneurship courses are offered outside the business school. Non-business students can receive entrepreneurship degrees including: Entrepreneurship minor, and a Technology Entrepreneurship Certificate for engineering students.

Because we believe that learning by doing is one of the best ways to hone entrepreneurial skills, a range of internship opportunities are provided with practicing entrepreneurs and angel investors.

Supporting New Ventures

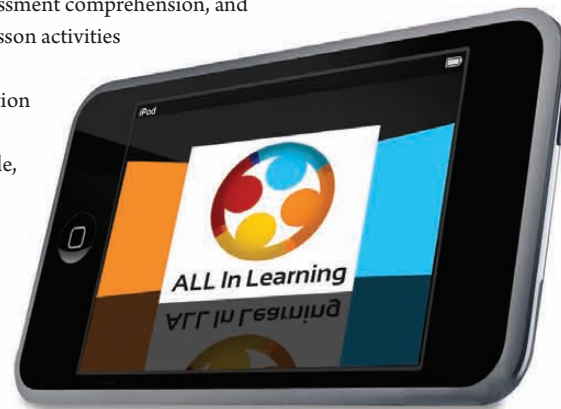
At Baylor, one of the primary measures of our success is how effectively we are providing our undergraduate and graduate students with the tools and skills needed to build profitable entrepreneurial companies. All of our entrepreneurship faculty members have experience starting and operating ventures, with many currently involved in various start-ups. Over the past 34 years, we are proud to have played a part in helping our graduates found hundreds of businesses, including the four new ventures profiled here.

ALL In Learning

Co-founded by father and son Baylor graduates Darrell (BA '66) and Darren (BA '92) Ward, ALL In Learning has introduced a new instructional platform to the education market called the ALL In Learning Mobile Teaching and Assessment Platform. This platform, which includes a web-based portal called PLUS, enables teachers to utilize an iPod Touch to support their instructional activities while capturing important instruction and assessment data on the iPod Touch.

Upon completion of their instructional activities, the record of the activities used, time on activities, number of assessments, assessment comprehension, and standards analysis is available when the lesson activities are uploaded to the PLUS portal. With appropriate identification, lesson aggregation results can occur nationally, by state, by district, by campus, etc., providing a simple, powerful and compelling capability for teachers, curriculum directors and district administrators. The next advance in education classrooms—ALL In Learning's Mobile Teaching and Assessment Platform.

www.allinlearning.com



BizGreet

BizGreet founders and Baylor graduates Mat Harris (BBA '96, MBA '01) and Mark Peters (MBA '01) had extensive start-up, marketing and technology experience before founding BizGreet in 2008. BizGreet is a platform for hosting personalized web video. The software generates hyper-personalized, direct-response ads and tracks who views and who clicks the call-to-action.

Accessible via personalized URLs (PURLs) or via a new hostable BizGreet player anywhere on the web, BizGreet ads are personalized for each viewer by the viewer's browser, the hosting environment (like Facebook or a client's website), and customer data provided by clients.

The company has launched dozens of personalized video campaigns for business-to-business, pro sports, nonprofits, churches, and political clients. Recent customers include the Round Rock Express, The Texas Rangers, The Milwaukee Brewers, and Governor Rick Perry of Texas.

BizGreet secured angel funding through a variety of Texas angel networks, including the Baylor Angel Network in January 2010. BizGreet is headquartered in Austin, Texas, with eight employees.

www.bizgreet.com

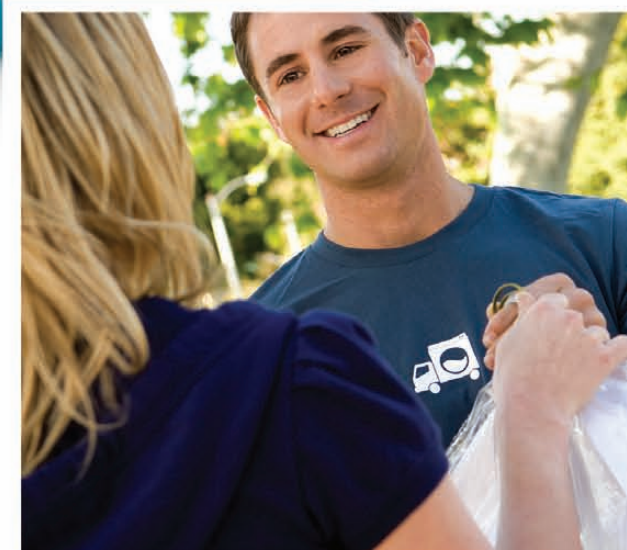


University Laundry

Husband and wife Baylor entrepreneurs Nathan (BBA '00) and Paige Watkins (BA '01) are committed entrepreneurs who have guided their firm, University Laundry, to be the dominant force in the college pickup and delivery laundry service. Pioneers in the college pickup and delivery laundry service, University Laundry implements a variety of garment care programs that are specific to campus culture on behalf of University housing and campus services administrators nationwide.

In their six years of operating the business, Nathan and Paige have developed cost-effective methods of processing large volumes of individual students' clothing; sophisticated tracking technology with online capabilities; and creative marketing strategies to enable University Laundry to experience substantial improvements in profitability, efficiency and sustainability. As a result, University Laundry now has over 40 full-time employees and provides services at campuses across the country. The recent addition of two more Baylor graduates to the executive team, Pete Coulter (BBA '98, MBA '00) and Mike Trozzo (BBA '99), will help insure that University Laundry continues to grow and prosper.

www.universitylaundry.com



Whole Tree

Baylor faculty member Walter Bradley, Baylor student entrepreneurs Eliza Guzman-Tepel (ME '08) and Stanton Greer (MSME '10) founded Whole Tree in 2009 with the mission, "To transform lives through engineering solutions created from natural resources." Aided by Baylor Entrepreneurship faculty and company board members Greg Leman and Steve Bradley, the company provides commercially viable, environmentally sustainable, and economically invigorating innovations. Whole Tree's triple bottom line is to provide economic opportunities through *innovative poverty solutions*, to be a *steward to the planet* by creating environmentally friendly products, and to be *profitable* through the creation of innovative technologies.

While the initial family of products is being developed from the constituent parts of the coconut, long-term goals include converting renewable resources, such as the coconut, into value-added solutions. Whole Tree's first proprietary technology for composite materials, utilizing coconut fibers, could reduce the global dependency on petroleum by 2-4 million barrels of oil per year, while its greener technology has the potential to reduce global carbon emissions by as much as 500 million tons per year.

Currently, up to 85 percent of the fiber in a coconut is routinely discarded and unused. The ability of Whole Tree to make usable materials with the discarded fibers will assist poor coconut farmers from all over the world. Eleven million

coconut farmers will directly benefit from the products made by Whole Tree that are produced with coconut fibers. Baylor recently completed a long-term license agreement with Whole Tree, and the company will move into Baylor's technology park.

<http://wholotreeinc.com>



Entrepreneurship Student Support

Providing financial support to our undergraduate and graduate entrepreneurship students is a priority for the Baylor Entrepreneurship Program. Our generous supporters listed here have established endowments for scholarships to support entrepreneurship education at Baylor. Thanks to these benefactors, we are able to support our students with over \$230,000 in annual scholarships specifically for entrepreneurship majors. This amount continues to grow each year.

- Kay and Don Elliott Scholarship
- James and Donna Hollon Scholarship
- C.W. Jones Scholarship
- John Graham Jones Scholarship
- Drayton McLane, Jr. Scholarship
- PolySpec LP Scholarship
- Scott and Susannah Salmans Scholarship
- Dr. Wayman Spence Scholarship
- Tartaglino-Richards Family Scholarship
- Bill and Eva Williams Scholarship
- Willis Family Scholarship
- Winston Wolfe Scholarship
- Chas F. Worrell, III Academic Scholarship
- John Weldon Youngblood
- Adams Entrepreneur Scholarship
- Lance and Lauren Byrd Scholarship
- Jim and Xan Foulks Scholarship
- Justin and Frances Longenecker Scholarship
- Ezra Thomas Little Memorial Fund
- in Entrepreneurship

“I am so thankful for those who helped make my scholarships possible. Without them, I would not have the privilege of graduating from Baylor. It has been an honor and a blessing to be a part of a prestigious, nationally-ranked entrepreneurship program. Without the help I received from my scholarships none of this would have been possible.”

Lauren DeLay, BBA ‘10

Drayton McLane, Jr.
Scholarship
recipient



Interested in supporting our students and program?

Please contact Kendall Artz, director of the Baylor Entrepreneurship Program, at 254.710.4169 or Kendall_Artz@baylor.edu.

Baylor Entrepreneurship Chairs and Professorships

Due to the generosity of our program supporters, we are able to provide eight chairs and professorships in the Baylor Entrepreneurship Program:

- Ray Bagby, Robert and Louise Rogers Chair in Entrepreneurship
- Bill Petty, W.W. Caruth Chair of Entrepreneurship
- Greg Leman, Curtis Hankamer Chair in Entrepreneurship
- Les Palich, Ben H. Williams Professorship in Entrepreneurship
- Kent Gilbreath, E.M. and Thelma Stevens Chair of Entrepreneurship
- Jim Roberts, W.A. Mays Professorship in Entrepreneurship
- Charles R. and Janice M. Rogers Chair of Entrepreneurship (open)
- Streich Family Professorship in Family Business (open)
- Dr. Joseph F. Schoen Visiting Professorship in Entrepreneurship (open)

Baylor Entrepreneurship Faculty & Staff

KENDALL ARTZ (PhD – Purdue)
Director – Baylor Entrepreneurship Program
Chairman, Department of Management and Entrepreneurship
(entrepreneurial finance, corporate entrepreneurship)

RAY BAGBY (PhD – South Carolina)
Robert M. and Louise Rogers Professor of Entrepreneurship
Editor – Entrepreneurship Theory and Practice
(new venture initiation, family business, business planning processes)

STEVE BRADLEY (PhD – Indiana)
Assistant Professor of Entrepreneurship
(strategic entrepreneurship, social entrepreneurship)

JAMIE COLLINS (PhD – Texas A&M)
Assistant Professor of Entrepreneurship
(strategic entrepreneurship)

GREG LEMAN (PhD – Illinois)
Director – University Entrepreneurial Initiatives
Curtis Hankamer Chair in Entrepreneurship
(technology entrepreneurship, business incubation)

MITCH NEUBERT (PhD – Iowa)
Associate Professor of Entrepreneurship
(entrepreneurial behavior and ethics)

LES PALICH (PhD – Arizona State)
Associate Director – Baylor Entrepreneurship Program
Ben H. Williams Professorship in Entrepreneurship
(international entrepreneurship, strategic entrepreneurship)

BILL PETTY (PhD – Texas)
Professor of Finance
W.W. Caruth Chair of Entrepreneurship
(entrepreneurial finance, venture capital, entrepreneurial processes)

MARLENE REED (PhD – Louisiana Tech)
Adjunct Professor, Entrepreneurship
(small business strategy, venture initiation, international entrepreneurship)

JOHN SCHOEN (MBA – Arizona State)
Lecturer - Entrepreneurship
(family business, small business management)

ELIZABETH VAUGHN
Administrative Associate – Department of Management and Entrepreneurship

TED WALDRON (PhD – Georgia)
Assistant Professor of Entrepreneurship
(competitive dynamics, entrepreneurship)

BILL WORTHINGTON (PhD – Texas A&M)
Assistant Professor of Entrepreneurship
(technology entrepreneurship, international entrepreneurship)

John F. Baugh Center for Entrepreneurship

J. DAVID ALLEN (MBA – Baylor)
Director – John F. Baugh Center for Entrepreneurship
(entrepreneurial startups, venture capital, business planning processes)

DAWN MAITZ
Associate Director – John F. Baugh Center for Entrepreneurship
(international entrepreneurship, family business)

MALINDA GREEN
Administrative Associate – John F. Baugh Center for Entrepreneurship

Entrepreneurship Living – Learning Center

MARY ABRAHAMS (MBA – Baylor)
Manager – Entrepreneurship Living – Learning Center

Faculty Entrepreneurship Fellows

WALTER BRADLEY (PhD – Texas)
Distinguished Professor of Mechanical Engineering
(technology entrepreneurship, social entrepreneurship)

COLENE COLDWELL (MBA – Baylor)
Senior Lecturer – Department of Finance
(entrepreneurial finance, social entrepreneurship)

CYNTHIA FRY (MS- Alabama)
Senior Lecturer – Department of Computer Science and Computer Science
Assistant Dean of Undergraduate Studies – School of Engineering and Computer Science
(technology entrepreneurship, international entrepreneurship)

SHERRY WARD (MFA – Alabama)
Lecturer – Department of Theatre Arts
(entrepreneurial creativity, Arts and Entertainment entrepreneurship)



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