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Where Was Nike's Board of Directors? - by Kim Moore

The recent press revelations about Nike's hostile culture toward women throw up questions about the sportswear company's corporate governance model.

Nike has 12 board members, several of which are big names in the corporate world. They include Tim Cook, CEO of Apple; Travis Knight, son of Nike founder Phil Knight and CEO of film animation studio Laika; and Michelle Peluso, chief marketing officer at IBM.

Three board members are on the corporate responsibility and sustainability committee at Nike, including Peluso, one of only two women on the board (the other is Elizabeth Comstock, former vice chair of General Electric). The committee is charged with overseeing issues that involve reputation risk to the company, including labor practices.

But the revelations of workplace harassment at Nike suggest board members play a limited role ensuring oversight of codes of conduct.

None of Nike's board directors commented for this story. A spokeswoman for Travis Knight said he is busy producing a film and couldn't be reached.

Greg Rossiter, Nike spokesman, said in an email the board takes an active role in the oversight of management of critical business matters.

"Management has consulted the Board on the matters raised recently relating to diversity, inclusion and respect, and the Board strongly supports the swift and decisive actions taken by Nike's management." Nike board members earned an average of \$284,000 in 2017.

Emphasis is growing on corporate boards to take more of an active role in molding corporate culture, says Jeff Bird, an attorney at Lane Powell. The National Association of Corporate Directors has produced several recent articles making the case that company culture is an important corporate asset.

"Corporate culture is more of an important agenda item at board meetings so the board can understand and approve what corporate culture is and that it furthers the strategy of the company," Bird says.

Other corporate governance experts point out the limitations of board directors to prevent workplace issues, such as sexual harassment.

Ryan Krause, associate professor at MJ Neeley School of Business at Texas Christian University, says it is difficult for boards to investigate problems with workplace culture because they are easy to hide.

Directors also generally meet for just 15 to 20 days a year, limiting their ability to investigate issues, he said.

“They are dependent on management bringing it to their attention,” says Krause.

He adds there is more of an emphasis on corporate board members generally to ensure financial performance of the company. “A lot of board members don’t care about how it gets there.”

But the rise of the #MeToo movement and the recent collapse of companies embroiled in sexual harassment and discrimination cases is forcing boards to pay more attention to corporate culture.

Although Parker fired several male executives after the allegations of misconduct came to light, one wonders how much of the #MeToo movement influenced his actions. If it weren’t for #MeToo, would Parker have felt as much pressure to fire the executives?

Nike announced in March this year that Parker will remain chairman, president and CEO of Nike beyond 2020, despite the trend in corporate governance best practices to have different people hold these roles.

Will accountability at the board level for corporate culture at Nike change following the allegations of systemic sexual discrimination against female employees?

As corporate governance best practices evolve, “the days of treating this as just a HR issue are over,” says Bird.



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Tips for a winning Pitch - by Samantha Calimbahin

Few things can be more grueling for an entrepreneur than a pitch competition. But, if you win, your business could get quite the payoff. Cowtown Angels member Luke Wittenbraker and **TCU's William M. Dickey Entrepreneur in Residence, Michael Sherrod**, have heard many a pitch in their entrepreneurial lifetimes. Here, they share a few tips on how to get through a pitch competition — and make it out a winner.

The business plan

LW: “I want to see realistic financials projections that make sense based on the plan’s pricing and go-to marketing strategy. I’ve seen plenty of plans projecting incredible sales growth over a three- to four-year initial period, but a lot of the time, they are missing how they are going to navigate to those goals. Projections can be difficult, especially for a startup or a new business plan, because you don’t know what you don’t know. In my personal view, I find conservative estimates to be more believable in the current business environment. An even more appropriate element that will always stand out to me is a summary of a base case and a best-case model. Even if you don’t have the ability to show me your entire financial model, show me your key market variables of X and Y, so that I can know how you got to Z. Prove to me you can make money when not everything goes your way (because it won’t), and you have my undue attention.”

The presentation

MS: “The presenters are the most important part of the presentation. They must present themselves as smart and grounded individuals with good posture, thoughtful hand gestures, appropriate pauses, the energy and tone of your voice, and strong eye contact.”

LW: “Get. To. The. Point. If a minute has gone by, and I don’t know what your product or service is, you’ve lost my attention. Tell me what your business sells. I want to know. That’s why I’m here.”

The product

MS: “A product really stands out when its value component is part and parcel of the business — in short, there is no business without the value component of the business model.”

LW: “Wow me. Show me something I’ve never seen before or something used in a way that I’ve never seen before. Oh, also make it so someone else can’t easily copy it. Oh, also prove to me that people want to buy it. Sound hard? That’s because it is.”

So, what makes a pitch a winning one?

LW: “Be yourself. This is your business idea, and you are doing it because you care about it ... A winning pitch should make me itch. As in, I want you to be done pitching, because I’m itching to ask you questions, because I’m excited about learning more about the opportunity.”

MS: “Practice, practice, practice and practice some more. Then do it again. And again. And again. Get it done within the allotted time ... Very few people practice their pitches to perfection, and those that do, win.”



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Values and Ventures - by Scott Nishimura

Life sciences ideas rose to the top of the competition at this year’s **TCU Richards Barrentine Values and Ventures Competition**, the university’s eighth annual April international collegiate business plan contest.

The \$25,000 grand prize winner: Students from a University of Iowa team, ABAL Therapeutics, which automates facets of standard autism treatment, broadening access to children. Logan Grote, a computer science major, pitched the team’s idea, which he said also decreases clinic time and costs for the 750,000 U.S. children diagnosed on the autism spectrum. “We don’t want to replace the therapist,” Grote told the judges. “We want to build a better scalpel.”

Second place winner (\$15,000, plus another \$5,000 for winning the contest’s Founders Award): Grand Valley State University’s Orindi team, for its cold endurance masks, which help children with asthma play outdoors during the winter. For every two masks sold for industrial use, Orindi says it donates one to the American Asthma Foundation. “The human-centered design will help prevent the pain and panic of an asthma attack when children play outdoors in cold weather,” said Jordan Vanderham, who pitched Orindi at the contest.

Third place and the \$10,000 award: University of Chicago for Sink Guard, to combat bacteria in hospitals and help prevent 100,000 deaths annually that result from diseases acquired from bacteria while in the hospital. The team originally set out to figure out a way to kill bacteria but ended up redesigning sink drains to ensure bacteria washed down could not come back up. “Can we save lives with a \$50 device? Yes,” Ted Engels, the Chicago student who pitched the plan, told the judges.

Teams from 55 universities competed in the two-day contest, with more than 50 entrepreneurs, investors and bankers serving as judges. More information: neeley.tcu.edu/vandy.



May 10, 2018 2018 Best Memorial Day Deals – by Adam McCann

Some people travel on Memorial Day weekend. Others shop. If you're one of the latter, WalletHub has been tracking offers from a dozen big retailers for the past year to help you easily find the best deals of the holiday and the rest of the month.

Listed below are WalletHub's picks of the 10 most exceptional deals from the heap, followed by the top offers in eight product categories such as Apparel and Electronics. You'll also find each item's sale price and discount percentage to show you exactly how much you stand to save.

Does your wish list include an exercise bike? Our analysis shows that this item is cheapest in May versus the rest of the year. So make sure to leave room in your budget for a new exercise bike this month, and scroll down for all the best savings opportunities.

Ask the Expert: Robert Leone, Professor of Marketing, Texas Christian University, Neeley School of Business

What types of products are most likely to be discounted as part of a Memorial Day Sale?

Dr. Leone: Memorial Day is typically known for appliance and electronics sales. Washers, dryers, refrigerators, TVs, etc. But it is also a time when many retailers put 'anything summer' on sale – patio furniture, lawn equipment, BBQ grills, a/c units, summer clothing, swim wear, etc.

What tips do you have for finding the best Memorial Day deals?

Dr. Leone: Certainly using the internet is one place to search. Many companies will announce sales a week or more in advance. Another less known tip is to look at what is being set up outside of stores like Lowe's, Home Depot, Walmart, etc. since often these retailers 'stage' the items that will be on sale for Labor Day. The same is true for the inside of big box stores – aisles are taken over by pallets of items that will go on sale for labor day.

What tips do you have for avoiding overspending during the Memorial Day sales period?

Dr. Leone: If you are looking for one of the sale items mentioned above – do your homework before the weekend and see what prices you can find online and at discount stores so you can price compare. Also, set a budget on what you want to spend. Basically, don't act spontaneously -- just

because you see a sign that says 'was \$499.00 now \$349.00' doesn't mean that is a great price since \$349 might be the price you can pay at another retailer or online at any time. Another thing to think about is whether there are stores that price match but also have free delivery ... that might save you as much as \$50-\$100 on a large appliance.