

**September 2015**

## **FORT WORTH BUSINESS**

**September 1, 2015**

**TCU Entrepreneurs to Launch Vitamin Subscription Business** – by Samantha Calimbahin

TCU students Nik Hall and Garrett Adair don't have as much time to relax and hang out with their friends as they used to. That's because the senior entrepreneurial management majors are preparing to start a business called vitafive, a vitamin subscription service that allows customers to customize vitamin packs to be shipped to their homes.

Adair, 21, and Hall, 22, hope to have the business up and running by December or January. They have spent the last six months finding investors and raising capital. They have also secured office space in Fort Worth, about 10 minutes away from Texas Christian University.

But there's still more work to be done. The two are currently ordering products, building inventory and developing their website, among other tasks. It's enough to keep their schedules packed. As soon as class is done, the duo heads straight to work on vitafive, Hall said.

"Freshman and sophomore year, we were able to have quite a bit of free time — hang out, play video games if we wanted," he said. "Now we have to set a pretty strict schedule."

Adair hails from Dallas, while Hall is from Southlake. The two met in a calculus class during their first year at TCU. They soon became workout buddies and began going to the gym together. When they realized their active lifestyle didn't coincide with their food choices, they decided to take vitamins to make up for their poor diets.

But Adair's family friend, registered dietician Connie Guttersen, told them that they had the wrong idea.

"She told us, vitamins aren't a supplement," Adair said. "They're supposed to help enhance your lifestyle. So you don't eat bad food and supplement with vitamins. You eat good food and take vitamins as well."

That inspired Adair and Hall, who were always bouncing business ideas off each other, to start their own vitamin business. With the tagline "Health Without the Hassle," vitafive is meant to be a more convenient way to take vitamins, Hall said.

Customers go to vitafive's website and choose from nine different vitamins, including a multivitamin, Calcium and D3, Omega and others. Then, vitafive consolidates those choices into a single pack of gummy vitamins. Each individual pack comes with three to five different vitamins, depending on the customer's choices. Every four weeks, the customer will receive a box with 28 individual packs.

Rather than having to swallow multiple pills, people can simply eat a pack of gummies each day, Adair said.

Hall said he and Adair did extensive research to find a trustworthy supplier that would work according to the FDA's guidelines. While they did not disclose the name of the supplier, Adair said they chose a manufacturer based in California.

Adair and Hall also sought the counsel of Guttersen, who had originally chided them for their food choices. Guttersen, known for The New York Times bestselling book *The Sonoma Diet*, serves as vitafive's chief nutrition officer. Guttersen is in charge of approving vitafive's products, Adair said.

To raise funding for the business, Adair said, he and Hall spent the summer traveling around the country and meeting with investors.

“We did, like, three Shark Tank presentations,” Adair said. “It wasn’t standing in front of them, but it was sitting down at a table, in suits, going over your presentation and giving them your product.”

For a college student with limited entrepreneurial experience, pitching to investors was nerve-wracking, Adair said. But the presentations were successful. They received funding from five private investors who did not wish to reveal their names, Adair said.

**TCU also helped Adair and Hall raise money for the company. The two competed in TCU’s Values and Ventures Competition, winning \$2,500. They also received help from the university’s Bill Shaddock Venture Capital Fund.**

**Brad Hancock, director of the Neeley Entrepreneurship Center at TCU, said Adair and Hall display a passion that makes them stand out.**

**“Their enthusiasm and their perseverance is just amazing,” he said. “It just comes through when they present their idea. I think the judges were impressed by all of that.”**

**It also helps to be studying entrepreneurial management, Adair said. Adair and Hall can take what they are learning in classes and immediately apply it to their own venture.**

The entire process of starting a company has been a learning experience, Adair said. And though the amount of work often means sacrificing personal time, Adair said, he’s not complaining.

“We always joke around, ‘vitafive is our girlfriend,’” he said. “It’s something that we want to spend all of our time with.”

#### **About the Bill Shaddock Venture Capital Fund**

**Inspired by the ABC television show Shark Tank, TCU alumnus and experienced entrepreneur Bill Shaddock started the Bill Shaddock Capital Venture Fund. Much like the show, TCU student entrepreneurs present their business ideas in front of a student committee who determine whether or not the idea will receive funding.**

**Shaddock, who graduated from TCU in 1973, owns multiple businesses in the Dallas-Fort Worth Area, including Willow Bend Mortgage Company and Capital Title of Texas.**



**September 22, 2015**

**Bank of America’s CEO Wins Shareholder Vote and Remains Chairman – by John Maxfield**

The vote that decided Bank of America CEO Brian Moynihan’s fate as chairman of the board wasn’t that close after all. At a special meeting of shareholders held on Tuesday, the \$2.2 trillion bank announced that approximately 63% of shares voted were cast in favor of allowing the 55-year-old executive to retain both titles.

The question of whether Moynihan should be permitted to serve as chairman of the board while at the same time acting as the bank's CEO arose at the end of last year, when Bank of America's board of directors unilaterally reversed a 2009 shareholder vote splitting the roles. The underlying issue in today's vote was thus less about Moynihan's performance and more about dissatisfaction with the board of directors. "It should be a vote on the board," said longtime industry analyst Richard Bove of Rafferty Capital Markets. "The board should be eliminated for putting the shareholder in this position."

One could even argue, as I have in the past, that Moynihan's performance since taking over in 2010 has been exemplary. He's slayed an unprecedented tens of billions of dollars' worth of legal claims incurred as a result of Bank of America's 2008 acquisition of Countrywide Financial. He's simplified the business by selling off noncore assets and dramatically reducing operating expenses. And he's brought it back to the precipice of respectable performance. In the latest quarter, the bank generated a 0.99% return on assets, which is just under the 1% threshold that's long been associated with high-performing banks.

It would have been particularly unwise, in turn, to demote Moynihan following these accomplishments. **While the research into whether so-called "CEO duality" helps or hurts a company's performance is inconclusive, one of the studies on the topic found that demoting a CEO after a period of good performance tended to reduce future profitability. It's for this reason that one of the study's authors, Professor Ryan Krause of Texas Christian University, told me that the first rule when it comes to splitting the roles is to "do no harm."**

**"While it's true that having an independent chairman minimizes the risk of opportunism on the part of the CEO, it may also introduce a lack of innovativeness and discourage good risk-taking by the executives that are tasked with running the business on a day-to-day basis," said Krause. The TCU professor went on to note that many companies with operations abroad, and particularly in highly hierarchical societies such as China and Japan, benefit from having the roles combined. Government and business officials in those societies want to talk to the most senior officer at a firm. That would exclude the CEO if he or she isn't also the chairman.**

To be clear, there are strong ideological arguments in favor of splitting the roles as a matter of course. The board's job is to represent shareholders by providing oversight and guidance to the executives. This is difficult to carry out objectively if the top executive is also the head of the board, with the power to set the meeting agenda and preside over the gatherings.

Bank of America sought to reduce shareholder concern over this last year by appointing a lead independent director, Jack Bovender. The former chairman and CEO of HCA, was granted the additional authority to:

- Together with the chairman/CEO, planning, reviewing, and approving meeting agendas for the board.
- Advising the chairman/CEO of the information needs of the board and approving information sent to the board.
- Acting as a liaison between the chairman/CEO and the 13 independent directors.
- Calling meetings of the independent directors.

Ultimately, while shareholder activists may find Tuesday's vote disappointing, the good news is that Bank of America can now move on to what really matters: further improving profitability and returning the Charlotte, N.C.-based bank to the apex of American finance.



September 23, 2015

## B-School College Football Rankings

So you'd like to go to business school but ... you'd also like to engage in some healthy trash-talking on Saturdays. If you take your college football as seriously as you do your MBA (and you should!) we've re-ranked the top ten football programs in the AP Coaches Poll using their respective business school rankings from the *US News & World Report* to produce this highly accurate, very scientific ranking just in time for college football's return this week.

1. **Florida State University** – Florida State, 39-3 the past three seasons and 3-0 so far this season, is slated for another stellar season. When your coach is named “Jimbo,” you’d better be good. Ranked No. 8 in the AP Coaches Poll preseason, the three-time defending ACC champs will struggle to replace their 27-1 quarterback, Jameis Winston. While currently unranked, the FSU College of Business has multiple MBA options, including an accelerated full-time program that can be completed in a year, a part-time evening program, and multiple online options.
2. **University of Alabama** – Alabama lost two games last year and has already fallen once this year, “dropping” its record to 86-12 since 2008. No one feels bad for Alabama. Nick Saban’s SEC favorites were ranked third in the AP Coaches Poll preseason and despite an iffy secondary, may still be contenders for a national title yet again. The Culverhouse College of Commerce at the University of Alabama offers a full-time MBA, and EMBA, as well as multiple MS and PhD options. In addition to these, the school allows top-performing STEM students to complete an MBA with one additional calendar year. The purpose of the path is to provide high-achieving students with the business knowledge needed to successfully manage high-tech businesses.
3. **Auburn University** – The Gus Bus returns on its regular route into the SEC elite bearing a ton of points and Heisman contenders, but no explanation as to what “War Damn Eagle” means. If Auburn’s D holds up, they could vault past ‘Bama on their way to a conference title. Auburn’s Harbert College of Business offers an on-campus MBA, an online, video-based MBA, an EMBA, and a Physicians Executive MBA, where post-residency physicians can gain the needed business acumen to lead a practice, or take on leadership positions in the health care or related industries.
4. **University of Oregon** – If it walks like a duck and quacks like a duck and changes ridiculous outfits more often than Katy Perry, it’s PAC 12 power The Oregon Ducks. The Oregon MBA, with its four centers of excellence, including the Warsaw Sports Marketing Center and the Finance and Securities Analysis Center, offers a traditional two-year MBA track, as well an accelerated one-year MBA track for students with an undergraduate degree in business, a GMAT score of 600 or better, and a recommended two years of work experience.
5. **Texas Christian University** – **“Beware the horny toad” is not a warning about off-campus parties, it’s an admonishment to respect the second-ranked TCU Horned Frogs. At the Neeley School of Business, future b-school students can choose from a traditional MBA, a Professional and an Executive MBA, as well as the MBA for Energy Professionals, which capitalizes on TCU’s energy-rich Texas location.**

6. **Baylor University** – The Baylor Bears mauled opponents in 2013-14, pawing their way to a grisly 22-2 mark, the polar opposite of the 14 losing seasons since 1996. Ok, we'll stop. The Hankamer School of Business at Baylor offers a 21-month, as well as a 16-month accelerated MBA, in addition to an online MBA option. Students can choose to specialize in Entrepreneurship or Healthcare Administration. MBA students enrolled in the Practicum in Portfolio Management class manage an investment portfolio currently valued around \$5 million.
7. **University of Georgia** – Georgia football traditions include playing on an ivy-lined field, an adorable bulldog mascot wearing a hat, burying said mascots at said field, and playing in the Outback Bowl. The Terry College of Business at UGA, with its traditional, part-time, and Executive programs, offers several concentrations, including real estate and business analytics to full-time students. Terry also places a special focus on military candidates and boasts a Student Veterans Resource Center.
8. **Michigan State University** – Michigan State is Jan Brady. 46-8 in four of last five years sandwiched around a 7-6 in 2012, but second banana in-state to Michigan, Michigan, Michigan! One of the more highly-ranked business programs, the Broad MBA ranks well in both placement of graduates and in degree ROI. Students can choose from a full-time or Executive MBA, and **specialize** in Supply Chain Management or Human Resources, among several “MBA majors”.
9. **University of Southern California** – After an 82-9 stretch at USC was followed by the “Lane Kiffin Era,” college football fans are juuusstttt thrllllleddddd the Trojans are back. Thrilled! Bruh. USC Marshall School of Business, the top-ranked business school among the AP Coaches Poll preseason top-10 football programs, boasts a variety of MBA tracks to suit students' varied career goals. The International Business Education and Research MBA or IBEAR MBA, is a one-year, accelerated, full time, international MBA program designed for mid career professionals being groomed to assume senior global positions. The Global EMBA allows students to take 10 of their 13 GEMBA sessions on the campus of the Antai College of Economics and Management, Shanghai Jiao Tong University, in downtown Shanghai.
10. **The Ohio State University** – What's round on both ends and high in the middle? No, not Seth Rogen—defending BCS champ and 2015 favorite Ohio State. The Fisher College of Business at OSU is ranked 30th in US News, and attracts almost a third of its entering class of 120 from outside the U.S. Fisher's intensive two-week immersion into the core leadership, academic and professional foundations of the MBA program prepares students for the MBA experience and participation is required.

## FORT WORTH BUSINESS

September 26, 2015

**Brothers pay homage to TCU with new clothing line** – by Samantha Calimbahin

Will Brunner kept some of his notes and favorite textbooks after graduating from Texas Christian University with an entrepreneurial management degree in 2003, not realizing that those items would help him and his brother, Robert, launch a men's golf clothing company a decade later.

“They actually came very handy in writing our business plan,” Will Brunner said.

Will Brunner, 34, and Robert Brunner, 28, started their company, Devereux, in 2013. Will is director of operations and Robert is the creative director, in charge of clothing design. The company carries a collection of

shirts, sweaters, pants and hats. Some of the shirts in the collection come in the “gothic grape” color, which pays homage to TCU purple, according to a news release.

“It’s a wonderful university for the both of us to hone your craft in education and learning throughout,” Robert said. “It’s a small community, great people.”

The Brunners grew up in Midland and had enjoyed playing golf since they were teenagers. Their parents, Robert and Cathryn Brunner, both went to TCU, and the brothers followed suit, with Will majoring in entrepreneurial management and Robert in geology. Robert said he had originally planned to go into the oil and gas business, but upon graduating in 2011 he realized his passion didn’t quite match his degree.

What he really wanted to pursue was clothing design. So, without knowing anything about the industry, he went back to school at the Fashion Institute of Design and Merchandising in Los Angeles. There, he learned the science behind how clothing is made and how fibers work together to make garments.

“It’s kind of like the behind-the-scenes and really understanding how fibers work,” Robert said. “Like cotton and polyester — cotton’s a natural fiber, and how well it works against the skin, and how polyester is a synthetic fiber and works better for athletic environments and moisture wicking.”

When he finished fashion school, he said, he wanted to pursue golf clothing but wasn’t the biggest fan of the gaudy, neon-colored attire he was seeing on professional golfers. Instead, Robert wanted to design something that could be worn both on and off the golf course without having the “just stepped off the golf course” look, Will said.

Seeing his brother’s passion for the business, Will decided to join in. That’s when he pulled out his old college notes and textbooks to help draw up a business plan for the company.

**The director of TCU’s Neeley Entrepreneurship Center, Brad Hancock, didn’t get a chance to teach Will, but he said he is acquainted with the brothers and their company. He said he’s glad to see Will’s class experience translate into the real world.**

**“Sometimes we think academics are just something you do in the classroom and then you go out in real life and figure it out,” Hancock said. “I think an entrepreneurial management degree, like Will got, really can be applied.”**

Through networking, the brothers connected with an investor from Texas working in the oil and gas business. They were able to launch their business with the help of that single investor.

In Dallas-Fort Worth, the products are being sold at Colonial Country Club and River Crest Country Club. Devereux also sponsors professional golfers who wear the clothing while on tour; among them are PGA Tour player Zack Sucher, [Web.com](#) Tour player Stephan Jaeger and Latin America Tour player Ian Davis. Golf Channel personalities, Morning Drive co-host Damon Hack and The Big Break contestant Jimmy Brandt also wear Devereux.

Robert said he wants the company to expand to beyond just golf wear to menswear in general.

**But no matter what the brothers decide to do, Hancock said he wouldn’t be surprised if Will’s old textbooks and notes make a comeback again.**

**“That’s one thing about entrepreneurship,” Hancock said. “The things that you learn, even though it’s an evolving and changing discipline, they carry with you forever and ever. I think if Will and Robert start another business, they’ll probably use those same notes and those same textbooks as the cornerstone.”**