

Big business  
benefits from

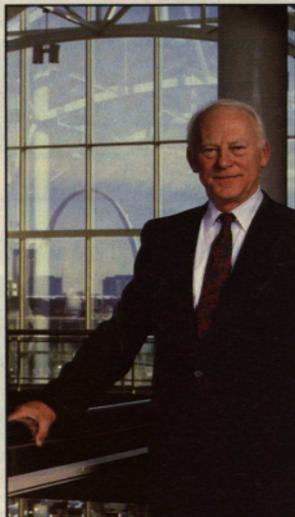
# MU CEOs

By ROB MUSCHANY

Some of today's best business minds got their start at MU. An annual *Business Week* survey last fall ranked 12 alumni among the chief executive officers who head the 1,000 most valuable publicly held U.S. companies. Another survey from *Fortune* magazine placed Mizzou 10th among U.S. universities bestowing bachelor's degrees on top CEOs. MU joined Yale, Northwestern, Stanford and Michigan in the top 10.

The 12 alumni noted in the *Business Week* survey represent vital companies in energy and manufacturing, in banking and insurance, in publishing, transportation and health care. Three lead companies here in Missouri.

Who are they? How are they directing their companies to such success? And what does their degree from MU mean to them? Here's a sampling of our alumni who lead the way in business.



William Cornelius  
BS BA '53  
Union Electric  
St. Louis  
Sales: \$2 billion  
Profits: \$294 million

## Service, price and quality

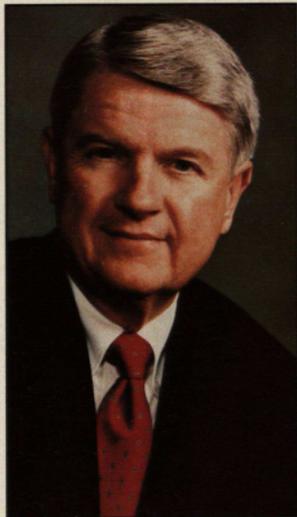
Union Electric is the largest electric utility in Missouri and also serves customers in portions of Iowa and Illinois. For William Cornelius, UE's CEO, that's more than 1 million customers every day, 24 hours a day.

To meet the challenge, Cornelius, 59, demands that UE strive for three things: service, price and quality. For 1990, earnings were up from the previous year without an overall increase in rates; service was available to the average customer 99.98 percent of the time; and energy-related programs helped about 9,000. In January, the St. Louis-based company earned another honor when the Nuclear Regulatory Commission declared the company's plant in Callaway County as one of the country's three safest nuclear plants.

In the St. Louis community, Cornelius is chairman of the board of St. Louis Children's Hospital, the Municipal Theater Association, and Civic Progress, a community organization composed of local business leaders.

"The University provided me with a good basic education that I used as a foundation for my career," Cornelius says. With a degree in business administration, Cornelius began his career with Price Waterhouse. He remembers Dr. Joe Silvano, MU professor emeritus, for his ability to combine the practical and the theoretical aspects of accounting.

Cornelius received a Faculty-Alumni Award from the MU Alumni Association in 1988. His wife, Mary Virginia, BS Ed '52, was named St. Louis Variety Club Woman of the Year in 1991.



**Harry Cornell Jr.**  
BS BA '50  
Leggett & Platt  
Carthage, Mo.  
Sales: \$1.1 billion  
Profits: \$29 million

## Up the Fortune 500 ladder

With \$1.1 billion in sales for 1990, Leggett & Platt, a leading supplier of components for bedding and furniture, has been on the list of America's top industrial companies since 1985. Based in Carthage, Mo., the company has climbed the ranking every year.

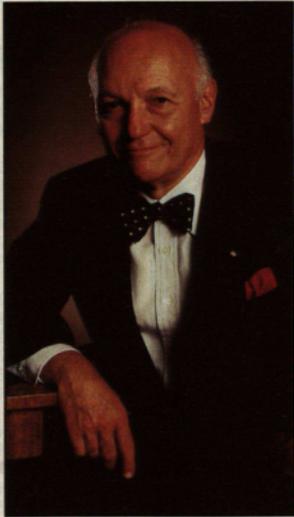
"This company is not oriented toward the short term," Harry Cornell Jr. says. When he and others bought a controlling interest in 1960, the company had \$7 million in revenues. "We seize on opportunities when they are consistent with our long-term strategies."

Cornell, 62, says that an average growth rate of at least 12 percent a year is still the target. That goal is probably conservative. From 1967, when common stock first was offered, through last year, investors received an average annual compounded return of 16 percent.

Cornell has been CEO since 1960. Straight from MU in 1950, he joined the company that his grandfather J.P. Leggett co-founded. He dashed through Mizzou in three years as an honors student, knowing exactly where he wanted to establish his career.

He recalls "an intense senior year" at Mizzou that linked his academic career to his professional one. To this day, Cornell praises the preparation he received from marketing case studies.

Last year, Cornell returned to Columbia to join the College of Business and Public Administration's Davenport Society. In April, he returned once again as a member of the College's new Strategic Development Board.



**Alan Greenberg**  
BS BA '49  
Bear, Stearns & Co.  
New York  
Sales: \$2.4 billion  
Profits: \$119 million

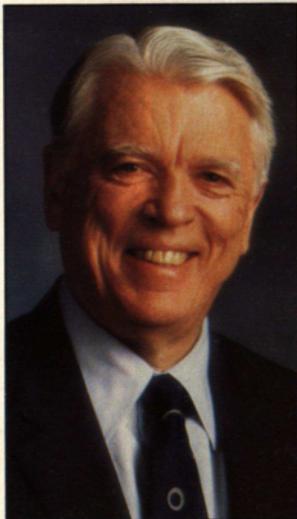
## Wall Street precision

"Stick to what you know and be careful of over-expansion" — wise words from the CEO of Bear, Stearns & Co., one of Wall Street's most profitable investment banking firms.

Since taking over in 1978, Alan Greenberg, 63, has applied that conservative philosophy and achieved steep and steady growth for his company. In 1978, Bear Stearns had \$47 million in capital. Today, the figure is approaching \$1.5 billion. Bear Stearns is one of the top firms in equity-clearing, mortgage-backed securities, program trading and risk arbitrage. Now, Greenberg is leading the company to become one of the elite investment banks in the country.

Greenberg says his education at MU was important in his career but perhaps not when he started with Bear Stearns. "They didn't teach me to be a clerk." Certainly the education did help when he moved to the arbitrage desk and then to the chairman's side as an apprentice trader. In particular, Greenberg remembers courses in accounting, English and business communication.

"Ace" — a name he acquired from his days at MU — plays as hard as he works. An avid magician, Greenberg is also a lifemaster at bridge who won the National Bridge Championship 14 years ago and a committed philanthropist who serves as a trustee of the Federation of Jewish Philanthropies.



**R. Crosby Kemper Jr.**  
Arts '49  
United Missouri Bancshares  
Kansas City  
Sales: \$407 million  
Profits: \$37 million



**Richard Merrill**  
BJ '51  
Commerce Clearing House  
Chicago  
Sales: \$716 million  
Profits: \$41 million

## Outspoken and on track

*Banker's Monthly* ran a cover story about this 6-foot, 7-inch tall, fourth-generation banker in 1989. It was called "The Indiana Jones of American Banking." R. Crosby Kemper's style does generate strong images. His bank, however, generates even stronger results.

Through extensive fee-based services, trust operations with \$106 billion in total custodial assets, cash-management services to more than 1,000 small banks, and policies that limit real-estate loans and prohibit foreign loans, United Missouri Bancshares has produced a successful formula. In 1990, total assets surpassed \$4.2 billion. Non-performing loans were 0.4 percent of all loans.

"We use good judgment," says Kemper, 64, of Kansas City. He takes issue with the conservative label many give his bank. "Most of banking is judging people, interpreting their ability to get the job done, and looking ahead to see what services you can supply."

Kemper himself is outspoken on local civic issues, on day-to-day affairs of the company, and on U.S. economic issues. In the 1989 annual report, for example, Kemper wrote about "stupid real-estate lending," highly leveraged buyouts, "and other forms of mismanagement" in the banking industry.

Kemper speaks plainly about his college education, too. Son of an MU football star, Kemper left the University one semester before graduation to work the night shift at his father's bank. "I loved the time I spent at MU. I learned a lot about life, but I knew what I wanted to do."

His wife, Mary Stripp Kemper, received her bachelor's degree from MU in 1959 and is an accomplished artist, having had several shows of her paintings in Kansas City and elsewhere.

## Sustained success

This company excels at being both low key and high quality. With 38 years of experience at Commerce Clearing House, 13 company positions and more than 11 years as CEO, Richard Merrill has much to do with that image.

"We're really not a very exciting company, and that's one of the reasons why our investors are very happy with us." Even the annual reports are uneventful, Merrill says. The 1990 annual report is one-color — "32 pages of black-and-white numbers."

Serving the legal, accounting and business professions, CCH has grown rapidly over the past 12 years. In fact, a *Fortune* magazine survey in 1989 registered CCH as the Fortune 500 company with the second best rate of sustained profitability from 1978-88.

With 8,000 employees, the Chicago-based company has three divisions: business and tax law publishing, legal services, and computer processing of tax returns. With six acquisitions in the past four years, the company also maintains virtually no debt and has been expanding aggressively abroad into English-speaking countries and Japan.

"Quality of product and quality of service that you get only through quality people is the philosophy that has put us in the premium position in our market," says Merrill, who will retire in July at the age of 63.

Merrill joined the company two years after graduating from MU's School of Journalism with an advertising degree, and he credits this education with jump-starting his career in publishing. He started as an editor in the company's news bureau. Later, he managed company sales for five years, overseeing both advertising and sales promotion.



**Raymond O'Brien**  
BS BA '48  
Consolidated Freightways  
Menlo Park, Calif.  
Sales: \$4.2 billion  
Profits (loss): (\$41 million)

## Carrying a full load

At the top of an industry indispensable to the United States, Raymond O'Brien, 69, directs a \$4.2-billion company that operates long-haul and regional trucking, intermodal rail and export ocean transportation, and air-freight businesses.

"Freight transportation touches every part of our economy, every product we buy, every sale made to a customer," O'Brien says. Consolidated Freightways of Menlo Park, Calif., employs 40,000 people and last year handled nearly 25 billion pounds of freight.

His success stems from his ability to take advantage of the present and build for the future.

To start, as O'Brien explains it, MU gave him "a broad brush of experience. The value of my education at MU proved itself many times early in my transportation career as it helped prepare me to meet the challenges of a dynamic business."

O'Brien joined CF in 1958 and soon introduced the company to computers. Today the transportation giant thrives on an extensive nationwide computer network that tracks nearly 150,000 trucking and air-freight shipments a day and uses advanced technologies such as on-board computers, computer-aided dispatching and electronic image processing. "Technology improves our ability to know and manage our costs, speeds the flow of information and helps our people become better at what they do."

With a recession, higher fuel prices from the Persian Gulf War, and losses from a 1989 acquisition, 1990 was not easy. O'Brien, who had retired from active management in 1988, returned in July 1990 as CEO, a position he had held since 1979. The result has been new financing, better liquidity and significant progress toward profits.

O'Brien's wife, Mary Ann, BS Ed '48, was surprised last year with a College of Education endowed scholarship in her name. It was an anniversary gift from her husband.

## Taking care of business

The six other chief executive officers from MU in the *Business Week* survey are:

### **Gordon Crosby**

BBA '41  
USLIFE  
New York  
Sales: \$1.2 billion  
Profits: \$69 million

### **Clifford Greenwalt**

BS GE '60  
Central Illinois Public Service  
Springfield, Ill.  
Sales: \$600 million  
Profits: \$66 million

### **Harold Hook**

BS BA '53, M Acc '54  
American General  
Houston  
Sales: \$4.5 billion  
Profits: \$562 million

### **Kenneth Lay**

AB '64, MA '65  
Enron  
Houston  
Sales: \$13.2 billion  
Profits: \$202 million

### **Carl Quinn**

BS BA '53  
Arkla Exploration  
Shreveport, La.  
Sales: \$160 million  
Profits: \$6.7 million

### **Donald Stein**

BS BA '68  
Medical Care International  
Dallas  
Sales: \$233 million  
Profits: \$28 million