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### International Dateline October - December 2000

## Bata: A Good Man Who Can't Be Kept Down



Whoever came up with the quote, "You can't keep a good man down," must have known Thomas Bata.

At a vibrant 86, Bata has enjoyed his share of good fortune - and suffered misfortune. But, like a prizefighter, he has endured.

Bata, the man who has led the world's largest shoe manufacturing firm - the Bata Shoe Company - for most of the 20th century, took time in July to share some of his experiences with students attending the second annual European JA Student Conference in Slovakia.

Bata used the history of his company to explain that the entrepreneurial spirit can be used to overcome changes - particularly economic and political ones; a fact he understands all too well.

Bata's father, Tomas, founded the shoe company in 1894 in Zlin Czechoslovakia.

Tomas oversaw the company and put it on a path of prompt growth until his tragic death in an airplane crash in 1932.

Bata's father was known as the "Czechoslovakian Henry Ford" for his American-inspired business know-how that included assembly lines, aggressive marketing and a social security plan for workers - all unparalleled in Western Europe at that time.

Seven years after Tomas' death, World War II broke out which led to confiscation of the Bataenterprise, which was then nationalized by Czechoslovakia's postwar Communist leaders. This act led to a 47-year exile for Thomas Bata and his company.

After the Nazi's marched into Czechoslovakia, Thomas Bata and 180 Czechs fled to Ontario where they established the town of Batawa, east of Toronto and re-established the business. Even then, however, Bata faced economic and political upheavals that threatened the survival of his newly resuscitated company.

But he survived and his business is a success. Today, it is the world's largest footwear manufacturing and marketing firm, serving one million customers every single business day in 70 countries with more than 4,700 retail stores and over 100,000 independent retailers and franchises. Every year Bata companies manufacture 150 million pairs of shoes.

In sharing his experiences, Bata told students to not give up, evaluate situations and their risks carefully, find solutions to cope with challenges and not be afraid to make decisions.

One decision Bata made is to support countries and communities where his company operates. It's been said a company's leader is reflected in his company — Bata's goodness is certainly reflected in his company. Despite all he and the company have been through, Bata has a long tradition of generosity. And fortunately for JA, he has become a champion of economic and business education. Just two years ago, Bata donated his former family home in Zlin to serve as the headquarters of the Thomas Bata Foundation and Junior Achievement in Central and Eastern Europe — a move that will allow many future generations to learn from this extraordinary and charitable man.

### Fiorina tells students to seek tough challenges

Carly Fiorina, president and CEO of Hewlett-Packard Company, told students at the 2000 Hewlett-Packard Global Business Challenge awards ceremony "to always seek out the tough challenges, because the tougher the challenge, the more fun it is." She said



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not to let "anyone tell you it can't be done. Just know clearly what it takes to get it done."

Fiorina, who has been a devoted proponent of business involvement in education, told the students to "always have an unflinching, clear-eyed vision of the goal, followed by clarity, realism and objectivity about what it takes to achieve the goal."

Fiorina also emphasized the importance of teams. "The team's virtue is invention and the power of ideas. Recognize the power of the team. No one succeeds alone. No one," she said.

She told students to "strike a balance between confidence and humility. You have to have the confidence to know you can make a difference. You have to have the humility to know everyone needs help, including you. Know when to ask for it. And finally, love what you do, because success of any type requires passion."

Fiorina also spoke of HP's 40-year association with JA and why it is important. "JAI represents some important qualities that Hewlett-Packard has always held in high esteem," she said. "Education, inclusion, and of course global business. These are all critical lessons in a world where technology is helping bring all of us closer and closer every day."

Fiorina, who played four rounds in the competition, said she was relieved she didn't have to compete against the students.

## World Record

A Brief Overview of Junior Achievement Around the World





A new patron member of JA in Ireland is music to JAI ears - literally. Ronan Keating, former member of the wildly successful boy band, Boyzone, has signed on as a JA supporter. Last year Keating recorded his first solo album, "When You Say Nothing at All," for the soundtrack of "Notting Hill," a film starring actors Julia Roberts and Hugh Grant. Reportedly Roberts is a big fan and congratulated him on his success when the two met at the film's London premier.



#### Botswana

Students from Botswana were treated to some southern hospitality when they visited JA in Memphis, Tenn., this summer. The trip, sponsored by BP Botswana, included a meeting and lunch with Memphis Mayor Willie Herenton and a tour of several area businesses and a school. The group, which included eight, eleven and twelve-year-old students, was part of a cultural exchange between JA of Memphis and JAI to let the students see the American Free Enterprise system in action. "We wanted the students to be able to compare their experiences in Botswana with those of children from Memphis," said Jim Perrin, president of JA in Memphis. Reportedly the students were fascinated with the idea of not going to school year round and that school uniforms were not required. They also enjoyed pizza and American music.



#### **Latin America**

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Nearly 600 students, ages 15 to 23, spent a week in Morelos, Mexico in July at the Foro Internacional de Emprendedores (International Entrepreneur Forum) or FIE. The forum is a summer program that brings students from all over Latin America together to take part in more than 60 activities, including workshops, contests, sports, social activities and MESE - the Management and Economic Simulation Exercise where students run a simulated business on computers. Participating countries were Argentina, Belgium, Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Panama, Peru, the USA and Uruguay



Estonia

Two students in Estonia won scholarships to a prominent business school there because of their savvy with MESE. Margus Sild and Andre Eding won the competition, which was put on by JA Estonia and the Estonian Business School. The two young men, who said they greatly appreciated the funds, graduated from the school this spring. The Estonian Business School was the first private university launched after the re-independence of Estonia.



### Nigeria

JA's first year in Nigeria has turned into a big success. It started there in July of 1999 and reached 2,387 students in 12 schools with 70 volunteers. JAN also raised \$21,730 with two bowl-a-thons and a fun run. "Now that we've proven JA works here, we hope to reach 5,000 students next year," said Simi Sanni, JA-Nigeria's executive director.



#### Colombia

Colombian students who attended the International Entrepreneur Forum in Mexico in July did so with scholarships they won in a JA Company contest held last fall. Their flight to Mexico was compliments of American Airlines. The students, who also took home "Best Delegation" honors were: Catalina Ortiz, Ruth Lopez, Julio Pauline Mahecha, Karen Munoz, Santiago Fonseca, Freddy Moreno, Juan David Diaz and Edgar Ibarra.



### JAI Bids Gibb Farewell

JA staff, students and boards around the world wish a fond farewell to Cindy Gibb, director of development for JAI's Regional Center in Zlin. We wish Cindy the very best with her marriage and move to Oregon. JAI also welcomes Cindy's replacement, Megan Erhard.

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## **Mexican Youths Capture Title**

A team of two students from Mexico emerged victorious in August after nine months of fierce competition that included 874 student teams from 57 countries.

Besides the title of champions of the 2000 Hewlett-Packard Global Business Challenge, Jose Valenzuela and Jesus Juarez's shrewd business skills also earned them \$3,000 in cash.

Students from nine countries competed in the finals of the annual contest that lets youngsters become managers and make decisions on price, production, distribution, marketing and R&D. The computer determines the winner by producing a composite score based on retained earnings, market share, growth, productivity, plant capacity, and brand-name awareness.





Jose Valenzuela and Jesus Juarez of Team UPAEPDSM Mexico take first place and earn \$3,000 in the 2000 HPGBC Final Round.

Guatemala took second and the third prize went to what's called a cyber team from Belarus, Latvia, Macedonia, and Argentina. From March to June, this "cyber" team communicated and created its strategy via the Internet because the team members were in each of those countries - never meeting face-to-face until competing in California in August.

A team from Canada took fourth place, followed by Lithuania. Honorable mention went to teams from Mexico, Belarus and Japan.

At the awards ceremony, HP Chief Executive Officer Carly Fiorina spoke to the students.

This is the fifth consecutive year HP has sponsored the event.

"The economic rules that you implemented during this competition, still apply. The fundamentals of supply and demand, of investing in R&D, of building revenues and profit. All those things continue to apply. Companies today and tomorrow still need to focus on these business fundamentals. They need to focus on the execution in the short-term and investment for the longterm. Because even in this *Internet age there are* some practices that remain timeless."

HP Chief Executive Officer Carly Fiorina

"HP has a long-standing commitment to education and supporting students. We are promoting e-learning and bridging the digital divide, pursued in part through our alliance with Junior Achievement," said Bess Stevens, HP's director of K-14 Education Relations and Philanthropy. "These students are the future inventors and leaders of the global economy. We are proud to sponsor and encourage the development of this prestigious group of young talent."

"We are grateful to HP for its commitment to educating youth around the world on the fundamentals of free and open market economies," said Sam Taylor, chief operations officer of JAI. "The variety of nations represented in this competition proves that the business of technology is reaching the furthest corners of the globe. Clearly, every culture and every country will contribute to the impact that technology will make on the global economy."

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HP has a long-standing commitment to good corporate citizenship, investing in focused educational programs and partnerships that connect under-served communities around the world to the benefits from the information age. Last year, HP contributed approximately \$58 million in cash and equipment to universities, schools, hospitals and charitable organizations around the world. Fully one-third of the total went to grant recipients outside the United States, HP's highest percentage ever. More than half (54 percent) of worldwide spending was earmarked to help colleges and universities improve instruction by deploying state-of-the-art equipment in their teaching and research laboratories, while grants to K-12 education increased from 13 to 16 percent, the highest percentage ever.

HP hosted a world-class competition, and treated students to tours of the area including a San Francisco Giants baseball game, a pool-side BBQ at the Beverly Heritage Hotel, and a walk across the Golden Gate Bridge.

# Countries Converge on California for Competition

Junior Achievement International has never been an organization to sh away from innovation from being courageous. And this year's HPGBC is proof of that.

This 5th Annual HPGBC stems from the solid partnership JAI has formed with the Hewlett-Packard Company. "When it comes to educating and having a partner like HP who understands that fact makes JAI even stronger," said Sam Taylo chief operating officer for mediocrity."

To see the students' excitement at the competition is to see Junio Achievement at work.

The pictures on pages four and five tell some of the great story that was the 2000 Hewlett-Packard Global Business Challenge.

## Palo Alto, California Hosts 2000 HPGBC

Team UPAEPDSM from Mexico was named champion of the 2000 Hewlett-Packard Global Business Challenge at a gala banquet at Hewlett-Packard corporate headquarters in Palo Alto, California, USA on Thursday, August 17. The final team line-up was announced and prizes awarded after an intense day of spirited competition among the eight finalist teams. First-place winners. Jesus Juarez and Jose Valenzuela, teammates on UPAEPDSM, took home the innovation are good things 2000 LIBORG 2000 HPGBC champions.

> Team GUATE\_2 from Guatemala took second place honors. Teammates Carlos Arturo Diaz and Ana Gabriela Pereira received a US\$2,000 prize.

Third place prize of US\$1,000 went to is too important to be left to CYBER20, a virtual team composed of students from Argentina, Belarus, Latvia, and Macedonia. CYBER20 was represented in was anything but mediocre the final round by Jorge Chiabrera of Argentina and Kaspars Kursinskis of Latvia.

> Team BELLMARE of Canada captured fourth place and a US\$500 prize based on the decision-making of teammates James Wong and Alan Sye.

> Fifth place and a US\$250 prize went to Adomas Gineitis and Saulius Kalpokas of Lithuania representing team ATAS.

The other three finalist teams, MOLOTES of Mexico with Luis Jimenez and Rafael Mendez, PICCHIR1 of Japan with Ryohei Yoshida and Masashi Yoshida, and ZASLAVL of Belarus with Alexander Obrovets and Maksim Radkevich received Honorable Mention certificates at the banquet.



Carlos Arturo Diaz and Ana Gabriela Pereira of GUATE\_2 from Guatemala, earn second place and \$2,000.



Jorge Chiabrera (Argentina) and Kaspars Kursinskis (Latvia) of CYBER20 take home third palce and \$1,000.



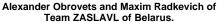
James Wong and Alan Sye of Team BELLMARE of Canada receive fourth place and \$500.



Team ATAS for Lithuania, Adomas Gineitis and Saulius Kalpokas, receive \$250 for fifth place.

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Luis Jimenez and Rafael Mendez of Team MOLOTES of Mexico.



Masashi Yoshida and Ryohei Yoshida of team PICCHIRI, Japan.

For additional photos, go to <u>www.jaintl.org/hpgbc/</u>, click on Photo Library - HPGBC - 2000.

This fifth anniversary Championship Round was hosted by the Hewlett-Packard Company and was held at HP headquarters in Palo Alto, California, USA. Featured speakers at the awards banquet were Carly Fiorina, president and CEO of Hewlett-Packard, who spoke on the future of information technology and answered questions from the contestants; Valentina Stoeva of Bulgaria, winner of the HPGBC essay contest, who represented Junior Achievement students from around the world; and Mark Suwyn, chairman and CEO of Louisiana-Pacific Corporatio and Junior Achievement International Board Chair.

In addition to competing in the Championship Round, the HPGBC finalists enjoyed a week of activities in the San Francisco Bay area including visits to the Golden Gate Bridge, Pier 39, San Francisco Zoo, Paramount's Great America amusement park, Cannery Row, Monterey Bay Aquarium and a San Francisco Giants baseball game. All reported an exciting and enjoyable time, but that the best part of the experience was meeting their colleagues from around the world and forming lifelong friendships.

Photos from the Championship Round will soon be posted in the Photo Gallery on the HPGBC web site at <a href="https://www.jaintl.org/hpgbc">www.jaintl.org/hpgbc</a>.

Registration for the 2001 Hewlett-Packard Global Business Challenge begins on October 1, 2000. The competition will take place on the Internet from February through May of 2001. The Championship Round for the final eight teams will be held in Singapore in August 2001. Visit the HPGBC web site after October 1 at www.jaintl.org/hpgbc for full information and to register your teams.



## Chairman's Report

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*Mark Suwyn*, Chairman & CEO, Louisiana-Pacific Corporation Chairman, Junior Achievement International

### **Thomas Bata is Ideal Partner**

As I read about Thomas Bata on the cover of this issue of Dateline, I began to think about how lucky JAI is to have someone like him on its side. Not only is Bata a world-class businessman but also he's someone who has endured enormous hardships and has come out on top. This makes him an ideal teammate for JAI and an ideal role model for students around the globe.

There's no doubt, JAI is known for its superior curricula. But what really makes those lesson plans come to life and what makes JAI particularly powerful is the people — people like Bata - with such rich reserves of experiences - to share with young people. Day in and day out, people all over the world are going into classrooms and building meaningful and fulfilling relationships with our young people.

And I know that many JA students will be better off having learned from these connections.

Bata's experiences and his generous spirit are larger than life and his life is a living testament to the fact that persistence pays off. A lesson we certainly want our students to carry with them along the roads they travel.

I encourage you to take time to realize just how special this organization is that we support. The sharing of knowledge will light the path for those who follow us - often in ways we'll never know.

## **Bulgarian JA Student Speaks at HPGBC**

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This year's winner of the JAI and Hewlett Packard Co.'s international essay contest may have found a future and career as an international speaker.

Valentina Nikolaeva Stoeva, a high school student from Bulgaria who won the first-ever HPGBC essay contest, was invited to read her winning essay to students and volunteers gathered at the Hewlett Packard Global Business Challenge awards ceremony in Palo Alto, Calif. in August.

Representatives from Sri Lanka were so impressed with her speech and the quality of her essay that they asked her to speak at a special event there in September, which she did. In addition, the executive director of JA-Argentina invited Valentina to work in his office next summer as a student intern.



In her essay Stoeva talks about her life in Bulgaria - a Balkan country in Southeastern Europe -- and the many changes and challenges she witnessed over the last 10 years.

"Believe me, it is extremely difficult to concentrate on what you really like, go for your dreams and follow any ethical principles when there is a deep economic crisis with inflation going up, unemployment rising dramatically and people starving or being unable to pay their bills," she said. "... in times like these there is no common solution and everyone finds his own way of salvation. For me it was definitely Junior Achievement. My involvement in JA was my way of placing myself in the reality I live in and in a larger, world context."

JAI is happy to have played a role in Stoeva's life and we wish her the very best in her bright future.

## Welcome to New Board Members

**George C. Cohon**, founder and senior chairman of McDonald's Restaurants of Canada Limited and Russia, spearheaded the opening of McDonald's in the former Soviet Union and now oversees the operations of more than 50 McDonald's restaurants throughout Russia.

**Jiri Kunert**, chairman and CEO of Zivnostenska banka in Prague, Czech Republic, is president of the Czech Bankers Association, a member of the scholarship committee at the Prague School of Economics and the chairmar of the Prague Foundation for the University Economic Education Support.

**Constancio Larguia**, entrepreneur — Founded Patagon.com, a Miami-based Internet company that provides online financial services to Latin American investors.

**James P. Moody**, is with the investment firm Morgan Stanley Dean Witter and a pro bono senior advisor to EnterpriseWorks Worldwide. EnterpriseWorks assists entrepreneurs and producer groups in Latin America, Asia and Africa.

**Mark Pu Siao Hing**, chairman and CEO of IEA Holdings, last year incorporated Primalliance Network Holdings a telecom service provider specializing in corporate communication services.

**Robert S. Singer**, executive vice president and chief financial officer of Gucci Group N.V., has been an important contributor to the company's growth into one of the leading multi-brand luxury goods groups in the world.

**Bess Stephens**, director of K-14 education relations and philanthropy for Hewlett-Packard Company, oversees HP's global philanthropy programs that take contributions into K-12 schools and community colleges.

**Tony Rummans**, vice president of e-business solutions and net generations business for IBM Latin America, is responsible for IBM's e-business solutions strategy and sales in Latin America as well as opportunities with new ne generation businesses.

# Country Profile

Year Founded: 1993

Junior Achievement

Number of Students

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Served: 20,000 per year

### of Lithuania



Junior Achievement of Lithuania hasn't wasted any time becoming a successful and respected educational organization.

In just seven years, it has reached more than 20,000 students with its programs. Last school year, 7,000 students from 145 schools in 67 Lithuanian cities studied Applied Economics. Also last year, JAL started middle school programs.

All JA programs are approved by the Ministry of Science and Education in Lithuania. And over the years, JAL has developed a close relationship with the Annual Budget: US \$95,000 Ministry.

Not only does JAL develop key relationships - it applies innovation as well. Every year, JAL puts on several events and activities for students and also organizes many after school activities and competitions - at both national and international levels.

Each summer, JAL invites 70 of its best Applied Economics students to attend a student forum where they participate in team building exercises, business case studies and guizzes. Because the forum emphasizes both individual and group exercises, students practice cooperating, working independently and planning their own time.

Also annually, JAL holds a national MESE competition in which teams of AE students from all over Lithuania compete to run simulated companies on the computer. This year 218 teams participated. Two rounds were held via Internet and in the final round teams competed in a face-to-face contest.

JAL must be doing something right in these MESE competitions. For the last three years Lithuanian Teams have advanced to the finals of the HP Global Business Challenge.

JAL, along with Lithuanian universities and the Ministry of Science and Education, holds the annual Economic Olympics where three hundred student. Market Economics, Economic are tested on their knowledge of economics and business. The competition includes Best Student Company (judged on their profitability, efficient production or service ideas, effectiveness of the operations and marketing strategy); Best Investor (a virtual trade in a National Stock exchange); Banks ir Andersen, PricewaterhouseCoopers Action (where students run simulated banks); and Advertising Competitions. JAL has held six of these Olympic competitions.

Last year Lithuania created and hosted its first JA Business Hall of Fame ceremony. It honored 'the best of the best' business leaders in the country who, through their business activities and personal conduct, made a considerable contribution to the development of the national economy and promotion of the public welfare.

Each year JAL organizes at least two teacher training seminars where teachers discuss and share information to improve JA program quality.

One of Lithuania's goals over the next three years is to make Applied Economics available to every 10-12 grader throughout the country.

JAI has no doubt JA-Lithuania will reach its goals and any others it pursues.

## Lithuania

**Population: 3,700,000** 

**Percent of Population Less** Than 15 Years of Age: 22%

**Board Members: 20** 

**Average Annual Student** 

Growth: 30%

Languages Spoken: Lithuanian,

Russian

President: Eugenijus Savicius

Programs: Applied Economics, MESE, Company Program, National Banks In Action Contest, Young Investor Competition, Summer Student Forum, Fundamentals of Olympics, Business Hall of Fame.

Financial Contributors: Arthur KPMG, McDonalds, Philip Morris and Siar-Bossard.

## On Board

A Profile of Junior Achievement International Board Members

Dr. Walter Loewenstern doesn't just say he likes JAI, he proves it – with his financial backing and his time.

Recently Dr. Loewenstern pledged a gift of \$150,000 to help support and build JAI over

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Dr. Walter Loewenstern, Jr. Co-Founder (retired) The ROLM Corporation

the next five years. Last year, in addition to his regular annual contribution the Loewenstern Foundation donated \$5,000 to help launch the JAI program in Vietnam.

That donation is allowing Vietnamese students to participate in JA's GLOBE program (Global Learning of the Business Enterprise) where two student companies, each in a different country, set up trade with each other. The donation also covers student textbooks, teacher materials and computer software.

"I think Junior Achievement is our best export," says Loewenstern. "It's a great program to teach young people about free markets and the role of business in society. It's like giving developing nations a fishing pole instead of fish."

Besides money, Loewenstern has given time - lots of it - to JA. For many years he was a volunteer classroom consultant in Applied Economics and a several-term board member in Santa Clara, Calif.

Loewenstern is no stranger to free enterprise. He is one of the founders of the ROLM Corporation, which grew to be a Fortune 500 company by manufacturing and selling computerized telephone exchanges and militarized computers. IBM bought ROLM in 1984 and Loewenstern retired from the company in 1988.

He is currently on the board of the HOOVER Institution and the Vail Valley Institute. He is an active venture capitalist in high technology start-ups and an investor in real estate. He has been involved with JA for many years as a board member and a classroom volunteer. He lives with his wife, Karen, in Beaver Creek, Colo., and they maintain a second home in Santa Cruz, California.