



BY CYNTHIA SCANLON

Companies Seek *New Schools of Thought*

Corporations are partnering with **EDUCATIONAL INSTITUTIONS** in the hope of building **STRATEGIC** ideas, technologies, and relationships.

It's a growing trend. Major manufacturing companies, looking for new solutions to ongoing issues such as work force development and research strategies, are finding productive partnerships with colleges, universities, and other public-sector educational institutions. Many of these collaborations are taking place in existing or newly created research parks and on college campuses.

"They develop a hybrid culture," says Bill Drohan, executive director for the Association of University Research Parks in Reston, Virginia. "They take the best of both worlds, the private and academic sectors, and create this unique culture within the research park."

Here are overviews of just a few of these alliances.

• **BMW and Clemson University:** In 2002, BMW donated \$10 million to Clemson to establish an automotive engineering graduate education center. The state of South Carolina also kicked in an additional \$25 million to construct and equip the center. From these affiliations emerged the Carroll A. Campbell Graduate

Engineering Center, which will be completed in 2007 and located at Clemson's International Center for Automotive Research. This 400-acre research park will anchor other research and development testing facilities to become what the university hopes will be a major hub for automotive technology.

According to James F. Barker, president of Clemson University, the association between the university and BMW is part of an overall strategic plan to create nationally recognized programs in eight areas, including automotive and transportation technology. BMW has moved part of its operations to the research park and will occupy 85,000 square feet within the research park. More than 1,000 automotive assemblers and suppliers are located within a 500-mile radius of the campus, with another 200 automotive companies and 115 automotive suppliers headquartered in South Carolina.

• **Red Hat and NC State:** Red Hat, a provider of Linux operating systems and open-source solutions for

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Internet infrastructure, has affiliated with North Carolina State University. The company, which is located in Research Triangle Park, North Carolina, donates open-source software and tools under its University Program. These donations go to various universities and educational institutions worldwide that want to explore open-source technologies. The partnership with NC State will allow the standardization the College of Engineering's academic computing environment. "The North Carolina State College of Engineering has enjoyed close ties to Red Hat from the beginning," says Thomas K. Miller III, NC State's vice provost for distance education and learning technologies. "Our collaboration with Red Hat not only provide our

students with a powerful and affordable platform that ties seamlessly into our campus network, but also a platform with which they can experiment, learn, and innovate in the world of open source."

• **Express Scripts and UMSL:**

Express Scripts, Inc., a leading manager of pharmacy benefit plans, is building its new corporate headquarters right on the campus of the University of Missouri-St. Louis (UMSL). Once occupied in March 2007, Express Scripts will be the highest-ranking Fortune 500 company headquartered on a university campus. "Our expansion to UMSL aligns Express Scripts and our employees with the business, research, and civic resources that will help

strengthen and grow our company," said George Paz, president and chief executive officer of Express Scripts. "We envision a flourishing collaboration that will serve as a model for public-private initiatives throughout the United States."

When Express Scripts began looking for larger corporate headquarters, the company evaluated Missouri, Illinois, and other areas of the country. They focused on and eventually chose UMSL because of the opportunities for joint initiatives in health economics research and information, areas that are key strengths for both organizations. The university, according to UMSL Chancellor Thomas F. George, was also looking for a company to jumpstart their new technology and research park. "We've been talking about this for 10 years, but we didn't have the wherewithal to get it jumpstarted," he says. "With Express Scripts, we do, and now we'd like to add incubator companies or established companies that can partner with the university."

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largest public university in the area. The new headquarters will house 1,100 Express Scripts employees and have a total of 320,000 square feet, with room to expand, if needed, for future growth.

PIPELINE FOR TALENT

The hope for many of these unique collaborations is to serve both entities and create new possibilities, particularly where labor talent is concerned. "Universities provide a steady pipeline of people coming out of college, which, from a manpower standpoint, is a really good strategy," says Drohan. "If you set up on a college campus or down the street from a college, you can get a steady pipeline of qualified people."

Ultimately, many of these companies and educational institutions see these joint fusions as a tremendous opportunity for cross-fertilization. This is particularly true for the Express Scripts-UMSL partnership, in which both parties place people at the core of their success. More than 75 percent of UMSL's graduates still live and work in the region.

"We believe people are our product,

and the university is in the business of educating, training, and developing people," says Steve Littlejohn, vice president of public affairs and spokesperson for Express Scripts. "So it's a way of enhancing the diversity of our workforce and having visibility on talented young people." He adds, "We've launched an internship program for the first time at Express Scripts, and we're very impressed with the caliber of students we have received."

Additionally, opportunities between executive leadership and faculty also show promise. "Express Scripts has become integrated into all kinds of programs we are doing here," says George. "Our faculty can go there and teach, and they can come here and teach. They have nurses, and we have a College of Nursing, so we are exploring how we can have interactions between the two."

In 2004, IBM affiliated with the University of Arizona's Eller College of Management department using a shared university research technology grant to support development of on-demand provisioning of stored data. The part-

nership between the two organizations continues today.

This year, IBM sponsored six employees in a dual-degree program that allows an individual to pursue an M.B.A. with a master's degree in science, engineering, or technology. The program, which was launched last year, also includes a certificate of entrepreneurship from the McGuire Entrepreneurship Program. Students complete both degrees and the entrepreneurship certification in just two years.

CULTURE CLASH

One of the biggest challenges in the collaboration of corporations and educational institutions can be the "culture clash." The private sector tends to move very quickly, with public sector entities usually needing more time for discussion and authorization approval. While this can be a deterrent, some of these organizations, particularly those in the public sector, are finding the challenge of melding cultures to be exhilarating.

"At the university, we run by sheer governance; we move slowly," says

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UMSL's George. "A for-profit company like Express Scripts tends to move on a dime. We've learned to work together in a way that is advantageous for both of us, and we're not only surviving, but thriving."

Littlejohn agrees. "We have different ways of approaching things, and we are finding it to be exciting," he says. "We're willing to explore ideas and concepts. Our different ways of approaching things helps us think outside the box." Littlejohn also acknowledges that the

mixing of cultures can yield possibilities neither may be initially aware of, so staying open-minded is key. "Things can emerge out of this process of focusing on things together that we haven't considered," he says. "So we have to face the challenge of making sure we're not binding ourselves too tightly as to what might come out of this."

MICROSOFT BUILDS ANEW

In a new twist on the private-public sector partnership, Microsoft has taken

the idea far beyond its boundaries. Bill Gates, founder of Microsoft and well-known for charging high schools as being "obsolete," has taken the initiative to do something about that by sponsoring and creating a new high school in the Philadelphia area. This past September, "School of the Future" opened. This unique collaboration was made possible by an agreement between the School District of Philadelphia and Microsoft.

"What we have proven through this project is that the School of the Future is not too futuristic or out of reach," says Paul Vallas, CEO of the School District of Philadelphia. "This is how schools of today can and should be designed and developed to adequately prepare students for life and work."

"The School of the Future shows how public and private partnerships can yield new thinking and sustainable change in educational systems around the world," says Craig Mundie, chief research and strategy officer at Microsoft.

The 162,000-square-foot school sits on eight acres and cost the School District of Philadelphia around \$63 million. Microsoft contributed nearly all of the technology. The 170 freshmen were selected from an open lottery and pulled from local neighborhoods. Approximately 99 percent of the students are minority and 85 percent come from low income families. Eventually, the plan is for the school to enroll 750 kids.

The school has smart-card-accessible lockers. Tablet PCs are provided for every student, as well as wireless Internet access at school and broadband access at home. The Virtual Teaching Assistant, created specifically by Microsoft for the school, allows teachers to actively track and target student progress and development. The Interactive Learning Center replaces a traditional library, allowing content to be constantly updated electronically.

In the end, these unique collaborations may well yield a plethora of new ideas and technologies, as well creating new avenues for people to work and think together. "If companies are committed, they are going to go where the best ideas are, and that's what universities manufacture — ideas," says Drohan. "It's just a matter of figuring out a way to tap into those." **AREA**

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