



Global connection

Kenan-Flagler seeks foothold in Southeast Asia

Spawned as a philanthropic agent of public-private partnerships to spur economic development, the Kenan Institute is on a roll. Its latest initiative is to help make the business school at UNC-Chapel Hill an international player, starting in Southeast Asia.

By TODD COHEN

RURAL HALL

Mike Wager has his eye on Southeast Asia.

Thanks to the Kenan Institute of Private Enterprise in Chapel Hill, his company is getting a chance to bid on a potentially lucrative contract to sell its products in Thailand.

With one of the fastest-growing economies in the world, Southeast Asia offers fertile ground for trade deals by U.S. companies like Wager's.

The Kenan Institute, an arm of the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill, hopes to cultivate that ground — and in the process make the business school a major player in the region.

"The whole area over there is going to be dynamic," says Paul Fulton, the school's new dean and former president of Sara Lee Corp. He wants the Kenan Institute to drive the school's new global thrust.

The Institute, which was created in 1985 with a \$22 million gift from the William R. Kenan Jr. Charitable Trust, recently landed a \$10.1 million grant from the U.S. Agency for International Development to broker U.S.-Thai private-sector trade deals.

The grant is expected to be expanded to include other countries in the region.

The institute has opened an office in Bangkok that will be the hub for brokering deals and positioning Kenan-Flagler in Thailand, as well as Vietnam, Southern China, Myanmar (formerly Burma), Laos and Kampuchia (formerly Cambodia).

"We're setting up the Kenan Institute in Thailand to leverage the international activity of the business school, not only in Thailand but throughout Southeast Asia," says Jack Kasarda, the institute's director. "This will be a gateway for the business school and faculty to work throughout the region."

The institute also will sponsor faculty research and exchanges in the region, as well as internships for Kenan-Flagler MBA graduates and an executive program.

This summer, Fulton will head a U.S. trade mission of high-level corporate executives to scout for business prospects in Vietnam.

With the recent lifting of the U.S. trade embargo with Vietnam, Fulton hopes to get an early jump on finding business op-

portunities there. This summer's trip will include a briefing in Hong Kong; visits to Hanoi, Danang and Ho Chi Minh City (formerly Saigon), and additional briefings at the Kenan Institute/Thailand in Bangkok.

By leading the delegation himself, Fulton says, he can be a better recruiter, using his extensive contacts in the business world to whet the appetites of executives from a broad spectrum of industries to trade with Southeast Asia.

"As a business person, it's intriguing."

The Kenan Institute has been the spark for numerous economic development initiatives, including Global TransPark, a huge manufacturing and transportation complex being developed in Kiuston; the MBA Enterprise Corps, which has dispatched more than 300 MBA grads from 22 leading U.S. business schools to assist businesses in Central and Eastern Europe and Southeast Asia; and the Urban Enterprise Corps, which this summer will send Kenan-Flagler MBA grads to assist businesses in inner-city Durham.

The Kenan Institute also is helping to develop sister facilities for the TransPark in Thailand and Germany.

Through its Southeast Asian initiatives, Kasarda says, the institute and Kenan-Flagler will play a leading role in developing U.S. partnerships in one of the world's fastest-growing economies.

Consider the Robert H. Wager Co. in Rural Hall, north of Winston-Salem. Until the 1970s, the 61-year-old family company manufactured

FAST-GROWING ECONOMIES

Here are countries in Southeast Asia that the Kenan Institute of private enterprise hopes to target for U.S. trade.

- KAMPUCHIA (former Cambodia)**
Population: 9 million
- LAOS**
Population: 4.4 million
- MALAYSIA**
Population: 18.6 million
- MYANMAR (former Burma)**
Population: 43.7 million
- THAILAND**
Population: 58 million
- VIETNAM**
Population: 69.2 million



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JACK KASARDA
Director
The Kenan Institute

marine equipment. But more than half the company's \$3 million in annual revenues now come from the sale of opacity meters, which measure smoke emissions.

California and other states have bought the devices to comply with environmental regulations. But the U.S. market is limited, and Wager sees huge potential in the developing economies of Southeast Asia.

Under its contract with the Agency for International Development, the Kenan Institute recently asked Wager if it would be interested in submitting a bid to sell its meters to the Thai government under a deal being financed by the World Bank.

Should Wager land the contract, it could sell 240 meters to the Thai

government, with revenues — including additional business it would expect to generate — totaling as much as \$1 million. That business, in turn, could result in contracts in other countries in the region.

International business now accounts for 10 percent of Wager's sales, but probably will grow to 80 percent in five years, says Senior Vice President Raymond Savage. He estimates the Southeast Asian market for air-pollution equipment of all kinds could total \$800 million.

"I think the exposure of our equipment in that area, to have it approved by a government in the Southeast Asian market, would really make us a name," Savage says. "And that's invaluable."

Corporate contribution

Duke Power Foundation gets boost

Duke Power Company Foundation officials say a recent contribution from Duke Power will allow the foundation to keep pace with its giving to human services and education.

By TODD COHEN

CHARLOTTE

Thanks to strong revenues in 1993, Duke Power Co. in Charlotte has made a \$20 million contribution to its foundation.

The Duke Power Company Foundation expects that the contribution will allow it to maintain its level of annual giving for the next three

GIVING

years or so, says Dock Kornegay, the foundation's director.

"We are assuming we will not have another contribution for a good two to three years from Duke Power," he says.

Maintaining its giving levels will be important to the social service and education programs funded by the foundation. Duke Power makes most of its direct grants through the foundation, which last year gave out \$6.3 million.

Of that, 46 percent goes to human service agencies, and 40 percent goes to education, with the remainder going to the arts, civic groups

and organizations in other areas, such as the environment.

Duke Power and its employees make the single-largest contribution to United Way affiliates in the Carolinas — about \$3 million a year. Of that, the foundation gives \$1 million.

The foundation also gives \$725,000 to two fuel-assistance programs, matching dollars raised by community organizations. Including the foundation's funds, a total of \$2.3 million is raised each year for the program.

The foundation has two scholarship programs to which it contributes a total of \$600,000 a year.

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Changing of the guard

Duke Endowment names trustee, plans to sell stock

Wall Street executive Richard Jenrette joins the Duke Endowment board, which has voted to sell 16 million shares of Duke Power Co. stock.

The death last year of Doris Duke has resulted in a number of changes at the Duke Endowment in Charlotte.

The endowment has named Wall Street executive Richard

Jenrette to fill Duke's seat on its board of trustees. And the board has voted — after the long-standing opposition of Doris Duke — to sell a big chunk of its stock in Duke Power Co.

Founded by tobacco, textile and utility magnate James B. Duke, the endowment has \$1.4 billion in assets and ranks among the largest U.S. foundations.

For years, three-fourths of the foundation's assets have been

Look for **JENRETTE**, page 13

BRIEFLY

Reynolds offers workplace program

For the second year in a row, R.J. Reynolds Tobacco Company has offered a "Seniors for Success" program for seniors from local colleges focusing on workplace preparedness. The program includes exercises, lectures and on-the-job demonstrations.

Companies honored for support

IBM Corp., North Carolina Central University, Duke University, North Carolina Mutual Life Insurance Co. and Glaxo helped fund the two-year-old Black Achievers Program at the Durham YMCA.

Corporations support public television

Four major North Carolina companies were partners in UNC-TV's annual on-air fundraising drive, which ended March 20. Sprint/Carolina Telephone, Glaxo Inc., IBM and Weyerhaeuser all signed on as partners in the 10-station network's annual drive.

Ford gives African Heritage Center to Greensboro

Ford Motor Company has donated \$9,000 to the Mattye Reed African Heritage Center at North Carolina A&T in Greensboro. The heritage center has more than 6,000 pieces of art in its collection, ranking it one of the largest in the country of its kind.

Promoting diversity on campus

Duke University was one of 11 universities and colleges to receive a \$150,000 "Tolerance on Campus: Establishing Common Ground," grant from Philip Morris Companies Inc. The funds will support individuals and groups cultivating "common ground" on campus.

UNC-TV focuses on women's health

The UNC Center for Public Television has launched an outreach effort to focus attention on women's health. The center will join public television stations nationwide in targeting six major areas: heart disease, breast cancer, menopause, smoking, depression and domestic violence.