



Ed Ray Oral History Interviews, August 17, 2015

Title

“A Campus Transformed”

Date

August 17, 2015

Location

Kerr Administration Building, Oregon State University.

Summary

Ray begins interview 3 by recounting, in greater detail, the launch and forward progress of The Campaign for OSU, and in the process notes his own personal approach to fundraising. He then provides his thoughts on the funding, construction and importance of four buildings raised during his presidency: the Linus Pauling Science Center, Austin Hall, the Student Experience Center, and the Learning Innovation Center.

From there, the session shifts gears to a discussion of reorganization across the university, with particular focus paid to the creation of schools within academic units, and the creation of business centers across campus.

The interview concludes with a lengthy conversation on athletics. Ray shares his memories of the state of the Athletic Department at the time of his arrival, and his sense of the department's shifting fortunes over time. He also describes his close involvement with the creation of the Pac-12 Conference and the Pac-12 television network, and the impact that both have made in the years since. The session closes with Ray lending his perspective on OSU's athletics rivalry with the University of Oregon.

Interviewee

Ed Ray

Interviewer

Chris Petersen

Website

<http://scarc.library.oregonstate.edu/oh150/ray/>

Transcript

Chris Petersen: Today is August 17th, 2015, we are in the Kerr Administration building for our third interview with President Ed Ray, and I'd like to start off where we left off last time with the capital campaign. So, we'd established in our last interview that the campaign found its birth with the University Day speech in 2003, in which you released, announced publically this idea, and I'm interested in where it went from there, going from idea to action.

Ed Ray: Well again, sort of to review the bidding, you want to remember we had an interim president of the Foundation, so there was a search going on there; an interim director of the Alumni Association, so there was a search going on there, and the vice president for advancement announced that she was retiring. So, the whole leadership structure was up in the air in the year 2002, 2003. I thought they had raised forty million, it turned out that their bookkeeping was no better than the fundraising effort. They actually brought in, I think it was 29.3 million.

And I had been told that had to be a defining speech, so I worked pretty hard the month I was here, or six weeks I was here, to sort of lay out what do we got to do if we're going to be successful going forward? And the point that I made in the speech was whatever our aspirations are for the university, we can't realize them on the backs of students and their families; we're going to have to grow our resource base, we're going to have to manage costs, we're going to have to do a lot of things because the state is never going to be coming back, in terms of funding for student FTE. I didn't even imagine that they would cut funding as much as they did in the subsequent years, but it was pretty clear we had to do something, a number of things, to be successful, and one of those was have a university-wide fundraising campaign.

So, in that very first speech I said "we have to have a university-wide fundraising campaign." And until I got here, I didn't realize they had never had one, so we actually were the last school in the then PAC-10, now PAC-12, to have a first university-wide campaign. I also didn't appreciate that they had started twice and backed off on doing a campaign. The first time, apparently the president didn't want to travel a lot. That's kind of a campaign killer. And the second time, apparently they added up what everybody wanted and they were smart enough to know that wasn't possible. They weren't dedicated enough to make hard choices, so they just told Engineering and Athletics "go ahead, you guys seem to have your act together, but we're not doing a major campaign." So, I didn't appreciate the people that heard announcements about campaigns before and had seen them abandoned.

So, the first five or six months we're still doing these searches, and people would—every time I'd talk to people about what our aspirations are for the future—we had created a strategic plan that went public in January or February of 2004—people would say "well, are we really going to have a campaign?" And I got tired of hearing this, so I would say "well actually, we're already in the campaign." They would say "well, how's that possible? I haven't even heard of it," and so I would say "it's called the quiet phase." And there is a quiet phase to a campaign where you try to get to half the goal before you go public and announce your final goal. We clearly were not, in the formal sense, in a quiet campaign, but I said "we're already in a quiet phase," and they said "well, how can that be? I haven't even heard about it, how can we be in the quiet phase of the campaign?" I said "well, you're not supposed to know about it, that's why it's called the quiet phase."

So, I got people to stop asking me, at least, about the campaign, and then the following year we hired Jeff Todd to come in as head of the Alumni Association, Luanne Lawrence to come in as vice president for advancement, Mike Goodwin from Georgetown as president of the OSU Foundation, he brought Shawn Scoville and a number of other people with him, and suddenly we were ready to get going. And that really was how it all got started. And then you know the story of the campaign. We sort of—we were very disciplined, which was good. So, we got everyone together, we asked people what they wanted, we got some folks from the Foundation board and some others to serve as kind of a review panel for proposals that people had.

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And there is art and science to this. I mean, you have aspirations but you're only going to—there are some things you can raise money for, some that are very hard to raise money for. So, we asked everybody what they wanted, which is what they had done before, and we got back a request for six hundred million dollars in buildings and a total package of about 1.3 billion dollars, and we made it clear that isn't going to happen. There's no way, given our history, given this is the first campaign. So, we scaled it back, I think because we had a lot of facilities we need, so we scaled it back to about a hundred and twenty-five million for buildings, facilities, and overall six hundred and twenty-five million. And we weren't that sure

we could do that, and we counted the ongoing Engineering and Athletics campaigns just to get us off to a faster start, and those two had already raised about seventy-five million. So, we felt like, well, so seventy-five off of six twenty-five is five hundred and fifty million, we probably could do that in five to seven years.

Anyway, the long and short of it, and you've heard this story before, is we clearly moved pretty quickly up toward six twenty-five. It was clear we were going to pass that, so we raised the goal to eight hundred-fifty. A little sidebar: when I was talking to the OSU Foundation board about this, one of the board members, a very dedicated Beaver, knew that in their previous campaign, the Ducks had set a goal of six hundred million, then they raised it to eight hundred million, they got some very large gifts, and they ended up closing at eight hundred and fifty million. So, when he realized we were going to go for eight hundred and fifty million, he wanted to go for eight hundred and fifty-three million dollars.

So, we decided to control ourselves and go for the eight hundred and fifty million, but of course we started to go past that, and that's when we set the goal of a billion dollars and ended in December of 2014 with .142 billion, the .142 being a hundred and forty-two million dollars. So, we almost doubled the original proposal, which is just extraordinary, and everybody, I think, is very pleased with that.

The other thing that I think pleased people was—the annual accounting goes from July 1 to the following June 30th, so July 1 to December 31st was still in the campaign. Everything afterwards was outside the campaign, and I learned not too long ago that for this last fiscal year, we actually raised just under a hundred and thirty-one million dollars in a year, which, it turns out, represents the largest fundraising year that we've ever had. Broke the record set when we officially launched the campaign. So, we finished the campaign but we finished it strong, so I think people feel really good about where we are with respect to development activities.

CP: Just as an aside, Pat Reser told me the first person that she ever heard mention the word "billion" was Beth Ray.

ER: [Laughter] Yeah, she used to torment poor Shawn Scoville. Shawn pretty much was on point, setting the goals and keeping the development officers and the academics on task, so we reached not just the overall total but all the specific elements of it. A campaign is not just about getting a lot of money; it's about getting a lot of money, if you can, for things that are mission-critical. And we can review what those elements were. I sort of started the idea that the fundraising for the campaign, really the things we're raising money for represent our to-do list. So, the elements and the amounts of money represent what we were supposed to get done. Anyway, very early on she started teasing Shawn about "one" - one billion. So yeah, I think he's probably relieved. And I think toward the very end, as we were approaching one, Beth was probably telling him, signaling two, to him, but it was all in good fun.

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CP: Well, this was all achieved in the midst of a very poor economy. What do you think the secret of the success of this campaign was?

ER: Well, I think part of it is that people had an incredible experience here. It would be interesting to know what the percentage of people were who gave to the campaign who got degrees, to be quite frank about it, after 2003. I mean, I would bet it's pretty small. So, that tells you before guys like me showed up, there were a lot of people who got an amazing education here, have great affection for the university and really were very enthusiastic about stepping up and supporting Oregon State University. So, there is this tradition and legacy of people over generations who've gotten amazing educational experiences here.

When I first came here, people would talk about the fact, and I would share it with others, that people would come here with no sense of entitlement, with no sense that anybody owed them anything, and their lives were transformed and they had extraordinary life experiences that they never would have imagined, and certainly never felt entitled too. And so, there was a great deal of affection for the institution, and wanting to help others have those kinds of experiences.

And it was the first campaign. I think that was not inconsequential, that there were a lot of people out there who were waiting for the university to step up and demonstrate that it had a sense of direction and purpose going forward and it wanted them to be part of starting that journey.

So, in retrospect, it maybe looks a little easier than it was. I remember one of the concerns we had was that there was a sense that people in Oregon don't have a really strong sense of philanthropy, and when they do they think—and it's not that it's not a lot of money, but they would think that a major gift would be twenty-five thousand dollars. And you know, as I do, the so-called pyramid for fundraising. You're not going to have a billion dollar campaign on twenty-five thousand dollar gifts. You need millions and five million and twenty millions and greater, if you can get them. The old saw used to be that you get ninety percent of the money from ten percent of the people. I think our experience was different than that. I don't think we had a single gift over twenty million dollars, and we probably had about half a dozen of those. So, our campaign really was more grassroots. We had a hundred and six thousand families contribute to the campaign.

But anyway, starting out there was this sense that you have to educate people that, yeah, we're not going to not take their twenty-five thousand, but we really need them to think more imaginatively about, how about a hundred thousand? How about a million dollars? You know, could you stretch it? And I had some wonderful experiences. This one fellow who I went to see is really quite wealthy and had given to various charities and things, an alumnus of the university, and I remember I was part of a campaign at Ohio State and did most of the academic planning. We raised 1.23 billion there between '95 and 2000, so I had good experience coming here. And this one co-chair of that campaign used to like to say to people "you have to give until it hurts, and then you have to keep giving until it feels good again," which I thought was a pretty good line. So, I'm talking to this fellow and I'm trying to encourage him to think big and I said "you know, you have to give till it hurts," and before I could say "and you got to keep giving until it feels good," as soon as I said "you have to give till it hurts," he says "every time I give, it hurts." That was kind of the end of that conversation.

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Well, fast-forward about three years and I'm talking to another fella who's talking about retiring from a CEO position in a major business and that he and his wife had already planned to make a gift to the university, and he allowed as how they were thinking about half a million dollars. And to this day, I mean I have no idea why I did what I did. We're sitting in a diner somewhere having lunch and I just blurt out "oh, I was thinking of a million dollars," and he looks at me and he says "yeah, we could do a million dollars." So, we doubled our money just by me not having the good sense to keep quiet. So, it was quite the experience, getting people to think about larger amounts. But the support, a hundred and six thousand donors to a campaign; I think we had at one point—I don't know what the final figure is—about a hundred and twenty contributions of a hundred thousand or more, just an incredible outpouring of commitment and support for the university.

CP: Do you have a particular personal approach to fundraising, or is it different case-by-base for you?

ER: Well, you have to talk to the potential donor about what their interests are and be willing to share sort of your vision of what it is you're trying to accomplish. All these things get teed up. I mean they don't typically—although there are exceptions—have me just go talk to someone nobody else has talked to. So, we have an idea, if they're an alumnus, what school they were in, if they're a friend of the university, which program are they interested in that might appeal to them. So, you always have a sense of where their interests lie before you have the conversation, and you try to give them the sense of what it is you're trying to accomplish.

And maybe it's because I'm an economist, but I mean I've never had trouble asking people to give to the campaign. And it's really there are some people who can't ask, some deans and others who had trouble and had to learn over time, some development officers who aren't very good at asking, because they get confused about, this is not about your relationships and your friendships, this is about support for the university, to support students, to support programs, to buy specialized equipment, to enhance the learning experience of other people. So, you're on a mission to bring resources to benefit other people, and your job is to do the ask, among other things.

So, typically things have been teed up to some extent. I know what the interests are, I know what the program is we'd like to try to match them with, and the level of the ask that staff thinks somebody is capable of. It's really interesting, one of the observations that have been made is they've done surveys where they ask donors who've given major gifts to universities, and they said well, why didn't you give more? And the typical answer is because they didn't ask for more, which is pretty startling when you're talking about people who've given in the millions. But that's one of the things you need to have a sense of; where is someone in their thinking? They're not going to volunteer that they're going to give you more than you have in mind. If you lowball it because you're afraid to ask, that's what you're going to get, if you're lucky.

Also in development work, they have this passion question that, when you're really not sort of sure where somebody is, you ask them, well, what's your passion? What would you like to see done or what kinds of things are you interested in? And we have a fella, Mr. Anonymous, I'll call him, who I think has given somewhere on the order of twenty million dollars to the university for several different projects, who is not an alumnus, who is a wonderful person. And he and I both went to Stanford. I think he got a masters, I got my masters and PhD there. And the first time I ever met him, his sense was, if I give my money to Stanford, it will just disappear, because they've got more money than they know what to do with, but at a place like Oregon State, it really is helping students from disadvantaged backgrounds and so forth. I could do a gift that would really make a difference.

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And so, that was the first conversation that we had. I won't drag this out, but in one conversation I guess all the staff had gone to hear about the passion question, and so I was sitting with him and a development person and I said "well, you know, what do"—he's already given us one gift, I think, in the millions—and I said "well, what are you passionate about? What would you like to see done?" He's a fairly elderly gentleman. He said "I don't have any passions anymore." He says "tell me what you're passionate about, and if I think it's interesting, I'll give you money." And he's given us millions for two projects since we had that "I don't have any passions, what are you passionate about" conversation.

So, everybody's different. You have to talk to them and hopefully give them a sense of what's going on at the university, that you're being good stewards of resources, that people are able to have incredible lives as a result of the education and the research that they do. And so, people resonate to that. I think everybody likes to be associated with a promising, winning activity. So, just the very fact that this university, I think, has sort of gotten focused and aligned and accomplished a lot of positives over the last decade or so, that in and of itself encourages people to want to give and be part of something they perceive to be beyond business as usual. I always, sort of cynically, was amused - you know, in this country we always talk about rooting for the underdog, but nobody likes a loser. So, if you're an underdog, you better become a winner if you want people to be very interested in how you're doing and what you're trying to do. So, it's an interesting balance. People do like to see underdogs succeed, and public universities are certainly underdogs, relative to the more generously endowed private major universities. But you better have your act together, you better look like a winner even if you don't have the resources, to get people to want to get onboard and be part of something.

CP: Well, I want to ask you about a couple of buildings. Your presidency will always be connected with construction, there's no getting around that, and we can talk all day about all the buildings been developed over the last few years, but there are two in particular that are related to the capital campaign that seemed like bookends to me on some level, and that's the Linus Pauling Science Center and Austin Hall. I'd be interested in your perspective on how those came to pass.

ER: Well, when I first came here I sort of went on the typical listening tour where I went around and met colleagues in their laboratories and whatnot, and got to see the various facilities and so forth, and met with Balz Frei and Joe Beckman and other folks working with the Linus Pauling Center, Institute, in just awful facilities. I mean, they were spread over several buildings and it was pretty nasty. And I remember at the time Joe Beckman had some of these transgenic mice, I don't know how much you know about this, but they have mice that have been bred to have specific genetic characteristics and then you can use them in research and clinical studies, and there was some question about whether the mice that he had, the colony had gotten contaminated somehow with orders getting mixed up when mice were delivered and oh, it was pretty, it was a pretty sad period for those folks.

Anyway, it turned out that Balz Frei and others had had renderings done by an architect for a possible building for the Linus Pauling Institute, and they showed it to me. I was like well wow, this is really wonderful. I had no idea how we would ever get the money to make this happen. I mean it just—so I remember leaving there and just feeling somewhat depressed that here were these amazing people who were doing important and significant work in the most miserable circumstances, and I could not imagine how we were ever going to get that building built. But as you know, we did get it done; we were able to convince the Valley Foundation to make a major lead gift.

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That was the beginning, and I think we raised a lot of money, programmatic money, money for the building itself, not just from alumni but from people who knew of Linus Pauling, believed in the work he was doing on nutrition and wanted to

contribute to it, and we were off and running. So, I was very pleased when we completed the funding for that and when we had the grand opening. Linus Pauling Jr. was at the opening of the building.

And there's an interesting story there. And at the risk of seeming sacrilegious, I think he had a tough time growing up, that Linus Pauling and his wife both were incredible, talented, bright people and they just thought little Linus Jr. was going to be a genius too. Well, to put it in perspective, he did become a PhD in psychology and he did, I think, work for many years at Columbia University, so this is not a slouch, but apparently he was very disappointing to them. They just, again, they, Ava Helen and Linus, thought they would have genius children. They had, I think, four children.

And anyway, in the early nineties Linus was, I think, ninety or maybe further along, and the center, the Institute, was kind of languishing at Stanford, not getting a lot of funding, not getting a lot of support, not having very good facilities. Linus Pauling had graduated from here and Linus Jr. basically dropped everything to work with his dad, to figure out, is this the best we can do? Can we find a better home? What about going back to Oregon State University? And Linus Pauling Jr. brought the Institute here to Oregon State, and I think served as the head of the Institute for a number of years, until it was on a firm footing and he could step away.

Anyway, when I first met him he told Beth and I this story and I said "you know, I hope this doesn't hurt your feelings," I said, "but you really are the proverbial good son. You have great care and affection for your father, and despite maybe what was a difficult experience growing up, you did the right thing. That's a wonderful legacy." So, I hope he feels very proud of the Linus Pauling Science Center as well. And I am certain he does. I mean, he did make a point of coming here from Hawaii to be at the opening and so forth. So, that was a great story.

Austin Hall, we were trying to get money to do a kick-off. First of all, when we started the campaign with six hundred and twenty-five million dollars as a goal, the goal for the College of Business was about thirty-six million. They ended up raising, I think, close to seventy-nine, when all was said and done. But anyway, because we were trying to be disciplined, the building was not part of the original campaign. And I had this truly interesting, silly meeting with the dean and the advisory board for the College of Business, because they all wanted the building, they were excited about it, and I said "well, we don't have evidence to suggest you're ever going to get a building done, and if you spend all your time trying to build a building, you're not going to raise money for scholarships or professorships or program support, all the things that you need to be operating at the highest possible level inside a building, so you've got to go after the low-hanging fruit, not fixate about a building.

And it was a cute conversation, because again, I'm talking to people who run businesses and so forth, so one of the questions I got was "well, suppose we raise more money than thirty-six million dollars, what happens to the money?" And I said "well, donors tell you how they want the money spent." I said "the whole point is to raise more than thirty-six million dollars, it's not to raise thirty-six and stop. That's the goal, so that's the base you set and then you try to go way past that, and when the campaign's over we want to be able to brag about how much we blew past the campaign total." So, it was a funny, odd sort of conversation.

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And as the campaign developed, six twenty-five to eight-fifty, when we were at eight-fifty we had learned enough about friends and alumni from the college of business to know that a building might be possible, but we knew that we needed to raise private money. Again, we would be going for 11-G bonds, general bonds from the legislature, and so if we wanted to build a fifty million dollar building, we had to raise twenty-five million to get the state to put up twenty-five million. So, we talked to various people. I mean, we have wonderful benefactors who supported a lot of projects. The Resers are always there and ready to help out. They were willing to make a major gift to the Business school. And we talked to the Austins. I mean, Ken and Joan had literally provided the money to start the Austin Entrepreneurship Program, the Austin Family Business Program, and those are sort of strong pillars of our Business college. So, they always were interested in Business and they had given money to create signature programs, and at some level it really felt appropriate that their name should be on it.

So, a funny story was that as they stepped away from A-Dec and Scott Parrish, their son-in-law, stepped into the CEO role there, Joan had a vision that she wanted to create sort of a hotel, leisure, recreational place near Newberg, where they lived much of their lives, to create jobs, to just really draw people there. It's wine country; it's a natural setting for such

a facility. So, she had that dream and obviously it's been realized, and thank God for several years Joan got to see it, to be there and to see it really come to life and be remarkably successful. But anyway, when they were building it Mike Goodwin and I went, and they were showing us around the construction site. It was being built but it wasn't—and I'm terrible at imagining what things are going to look like when they're done, when they're not done. I mean, when they're not done they look like construction sites to me.

So anyway, we're driving around there and we're going around in this cart and Ken was kind of apprehensive, because he knows dental equipment, he's an inventor, he knows business, but this was so totally different from anything he had done. Joan really was kind of on-point. So he was talking about how much it was going to cost to create this facility. And I just remember looking at him and saying "you know, you could do two Business schools for that much money." So, I think I was probably unrelenting about trying to appeal to him and her to give the lead gift, which they finally did. And that really got things going. Then we could go to the business community.

Typically what you want to do on a facility is you want to have maybe half of the money that you have to raise. So, if it's a fifty million dollar building and you're going to get twenty-five from the state, you've got to raise twenty-five million. Well, maybe ten is the minimum you want in lead gifts identified before you're willing to risk going public and trying to raise the rest of the money. So, that was the key role that the Austins played, giving us that major upfront money. And then the Resers came in and did the same thing, gave us substantial support for Austin Hall.

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It's too bad Al didn't get to see Austin Hall. I think—I know Pat loves it and the family got to see it, but I wish Al had gotten to see it. He was quite a character. At one point we needed ten million dollars, because it was, we had to raise thirty-one, get the state to give thirty-one; sixty-two million dollar building. We had the Valley money, a little bit more, we had ten million that we needed to raise, and the question is, where are you going to get ten million dollars? So, I tell people this was like an inside straight.

So, we went and talked to Al and Pat Reser and we talked about the fact that Pat had said that they gave the money for Reser Stadium not because she cares about athletics, in fact she cares about health, nutrition, well-being, so forth, but they gave the money because she felt by allowing their name to be put on it—because they didn't want the name recognition—that by allowing that to happen, there's a sports section in every newspaper every day and people would see Reser Stadium and that would tell them, this is not the old Oregon State University, something's happening there. This is something different that you ought to be paying attention to. So, she saw that as kind of putting a stake in the ground to try to get some energy and excitement around the university here.

Well anyway, I went and talked to them, we went and talked to them, and I said "you know, part of why you do want to put your name on something, or you want to be associated with something, is this is a way to speak across generations. This isn't about calling attention to yourself, this is a way you can talk to grandchildren, great-grandchildren, future generations you will never know about; this is what people of privilege should do. They should do works like these, and to the extent you care about the academy—actually, as much or more than you care about athletics, this is kind of the bookend. This is the matching piece that says that's what great-great grandma and grandpa were about. It wasn't just about sports; they were also serious people dedicated to advancing health and well-being and science." And so, I gave them the pitch as passionately as I could. And I believe it. You can't fake passion, at least I can't.

Anyway, so Al calls in his—I guess his lawyer was there, calls him in and he's got a legal pad in front of him and he says, you know, and he writes down, it's like a one, two, two, two, two, one; "will that work?" So, I said "yeah, that'll work it." So, he pushes it over to the accountant or attorney, whoever it was, he says "write that up." That's how that happened.

CP: Well, I want to ask about two more buildings that were not part of the capital campaign and that I believe are or will soon become iconic here at OSU, and they're the Student Experience Center and the Learning Innovation Center.

ER: And I mean, there's a story with each of them as well. The Student Experience Center really was an effort by the students who created the Memorial Union to both renovate the Memorial Union and to create a new space for student activities, for the *Barometer*, for ASOSU, for student creative activities, arts, crafts, shops, things they could work on, for Beaver Radio, Television, all the new media communications work. Snell Hall is—one of my dearest dreams is to see

Snell Hall knocked down. I mean, I would accept a parking lot before I'd, you know, whatever, or a green space if we can't figure out how to put something in there that we need. And they wanted to get out of there if they could.

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So, the students did fundraising, or did a vote to get approval of a fee increase to do the renovation and to build the Student Experience Center. And again, as you know, I mean this was during sort of the worst of times. We're in the middle of the Great Recession. So, we go to the legislature, I think it's in, it was either 2011 or 2012. I think we finally got the money in 2013, so I think it was 2012, a sort of between-biennium budget session to get approval for the students to build this building. And everybody was very conservative about construction in the state, because borrowing, you know, we're in hard times.

The reality is, I think this state made a tragic mistake. You borrow when interest rates are at historic lows, you don't wait for them to go back up. So, there was a real opportunity there for the state to double down on its capital facilities, public capital, and accomplish amazing things, but nobody had the stomach for it, who was in a position to do so. So, everybody was sort of thinking of it in terms of their own budget, you know, when times are tough you don't spend money that you don't have to spend. So, the legislature was very predisposed to reject capital requests.

And Tonga Hopoi, who was the student government president at the time, she and I literally went to a session of the legislature to talk about why we needed—we still needed to get legislative approval even if there's no state money beyond the student fees involved. And this one legislator, they were asking "why does it cost so much, why are you doing this, why are you doing that? I build Motel 6's, they don't cost that much per square foot." I mean just these nutty conversations. And then somebody said "well, wait a minute, you're already collecting student fees, aren't you?" And she said "yeah, voted it last year, we've been collecting money for a year." So he said "well, how can you do that? Because you've got students paying money for this building who will never benefit from it. That's really not right, is it?" And she said "well, we know that, we're doing it because we wanted to do something for future students. We're willing to pay even if I'm going to graduate, it's not going to be open, but we want to do this for future students." So I piped up and I said "altruism - what a concept!" Anyway, they didn't approve our going forward with the building, and the next session we came back and we got a, I think it was 2013 and we got approval to put the building up. And it's just wonderful and students deserve a lot of credit for that.

The Learning Innovation Center had its own story. I think it was about 2009 maybe that the state passed a couple of propositions, one of which created the opportunity to use funds other than donor funds to get the state match on academic buildings. And I think what people had in mind was that school districts could use property taxes and raise money through voter initiatives and then use that to go to get state money for matches. But just, you could do something other than donor money, but you couldn't use state money to get state money. You couldn't use E&G budget against capital funds from the state. Well, when that got passed and we had talked about really needing a major classroom building, it occurred to me, well, we could use tuition dollars, because that's not state money. I mean, everything we have is considered state. But they're really people paying tuition.

And so, we went to the student government and we said, "how about if we use money from non-resident and international students' tuition; not increments in them, but out of the base that we're already collecting? If we use that money to do the debt service on an all-purpose classroom building, because they're paying more to come here than Oregonians, and we don't have the space we need to educate the people that we're asking to give us their money so we can educate them?" So, the logic of it is if they're going to come here and they're going to give us more money, we've got to build a building. So, how about using the money they pay in tuition to help us build the building? And the students said "okay, that's fine."

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So, the student governments were onboard with it and we went to the legislature. Again, it would have been maybe 2009, 2011, and what we got told is "that's just too, this is too different," even though legally you could—"oh yeah, it's just too out of the box. We can't do it, it just can't be done. We can't let you do it." And what we originally proposed was that we would pay for the entire building, so I think it's sixty-five million dollars or something, that we would do the debt service on all sixty-five million of it. And it had to be an off year, because we just needed approval to build it. It may have been '12 again. And they said "no, no it's just too different, we can't let you do it." So, alright, the hell with it. So, the next

year we came back and I said, "this time I'm offering half the money," that we'll do debt service on thirty-two and a half million and tell the state we expect them to pay the other thirty-two and a half million. And they did. So by putting us off, whether it was for a year or two years, I don't remember, the state ended up paying for half the cost of the Learning Innovation Center, as opposed to none of it. And so it goes.

But it's a wonderful building. I don't know if you've been in it yet. It'll be open for autumn quarter. But it's got rooms that are done as kind of theatre-in-the-round with the lectern in the middle. They got a couple they call the Phil Donahue set with the aisles, and it's in-the-round, a lectern in the middle and you can do visuals on screens above seat height. It's really a wonderful, wonderful facility. It's huge, it's really huge. So, I forget what they were saying at one point, that we could teach twenty-four percent of our classes in it, if we scheduled it from dawn to dusk. So, that'll help tremendously.

CP: Yeah. Well, I want to shift gears a little bit. I have a list of issues and topics that have been important during your time here, and one of the complications of interviewing a sitting president is that many of these issues are still on-going, they haven't been completed and you can't look back upon them, but a few of them have been. And the first one I want to ask you about is reorganization across the university, specifically the creation of schools within the academic units and the creation of business centers across campus.

ER: Yeah, well the business centers idea I think really did sort of emanate out of the administration itself, the idea that—and lots of people have observed at the academy we're very good at studying everything except ourselves. And so, the question was, are there things we could do on the business side that would economize on costs and help us get more resources out there to hire faculty, to pay reasonable compensation, to provide support for programs and students? And so, it was about 2007 and I think Mark McCambridge, who was the vice president for finance and administration, and Sabah Randhawa, our provost, took the lead on asking, what is it that we could do?

And my observation was, from many years in the academy, was that every department and program has its own fiscal officer, has its own human resources or personnel staff, obviously secretarial staff as well, but they all have their own personnel and business officers, and that's crazy. There ought to be a way that things could be consolidated. And that's what led to this idea of, you know, we could create business centers that would not only serve departments and programs but actually whole colleges and we could create clusters where we had fewer total staff, but they would be of higher skill, so there'd be fewer errors for support of everybody, and that would free up some resources. And I think actually, as life would have it, we grew as a university substantially in terms of student enrollment. And so, whatever benefits or gains there were in terms of resource savings quickly found their way into academic advisors, career counselors, the need to hire new tenure track faculty, fixed term faculty.

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So, it got plowed back into the enterprise, but the idea was that these service centers would adequately provide service, and probably better quality service once we got them functioning right. And this was not a walk in the park. I mean, it was probably two or three years before people stopped complaining about how lousy the service centers were. But we did get there eventually, and I think it was the right thing to do. And it's a little bit like if you think about the county hospital versus a regional hospital where in the county hospital, if you have a heart operation, you got a heart surgeon who's done fifty operations; if you go to the regional center where patients come all the time, you got someone who's done four thousand.

And so, once we created the business centers there was almost no problem anyone could come up with that somebody in the business centers didn't know how to solve. And that's really the point, is that when you create these focused centers, the pace of business operations is such that virtually everything under the sun that could come up in one of the outlying areas has been dealt with by somebody, so hopefully you're not reinventing the wheel in hundreds of different places. So, I think that was something that it took us several years before we felt we got it right. And I still ask people, you know, what about the surveys, are we still doing surveys, how is that all going?

On the business of the academic program reform, it was again probably in my senate speech in 2009, I said to the faculty, "look, I was a department chair for sixteen years; nobody cares who the department chair is. People care about economics and sociology and real-world problems and solving things." And so, I just basically challenged the faculty, "go out there and reinvent yourselves. We've got to figure out how to economize on resources, so we've got to be smart. It's not about

what other people do. Figure out how to organize yourselves and let the structures that make the most sense emerge as a result of it." And all of the changes in academic programs, we eliminated some twenty-six majors because of low enrollment, we consolidated sixty-two colleges, schools, departments and programs to forty-two, twenty fewer academic units, none dead, none wounded. Nobody fired as provost and/or president or God knows what, and it basically was all done by the faculty. I mean, the faculty deserve all of the credit for taking the challenge seriously and figuring out, well, what makes the most sense going forward?

And the poster child for it—I think in most academic settings people don't think of humanities as the cutting edge of innovation. Often you get people who are pretty set in their ways. But our College of Liberal Arts went from something like fifteen departments and two programs to, I think it's six schools and one program; Psychology. And they created whole new possibilities. So for example, Sociology, Political Science and Economics are in the School of Public Policy. We now have an approved—the only one in the state—PhD in public policy, and it's attracting many of the best and brightest students from around Oregon and from outside the state that we attract to the university because students are very interested in real problems and having the skills to solve them. We still have Economics, Sociology, Political Science. You can major in them, but the point is, within the structure of the School of Public Policy you can put together a program that meets your particular interests and needs. So, it's just an amazing step in the right direction, I think.

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And again, the faculty went—every proposal had to go through the faculty senate, and they took actions, took votes to expedite approval processes, because there were so many teed up. And it was over a period of about two, two and a half years that all of those programmatic changes occurred. The fact the university senate launched it, managed it, completed it without any outside interference or second-guessing or anything else, it's very impressive.

CP: Well, the next topic is a big one and one that will be of interest to many people, and that's Athletics.

ER: Ah.

CP: I'm interested in your early impressions of the Athletic Department and how things have changed for you over the course of time.

ER: Well, I think you know when I first came here I had come from Ohio State University; they had just won the national title in football, and they had thirty-six NCAA-sanctioned sports. They had tried to eliminate some in the early nineties. They tried to go from thirty-six to thirty-two, and you would have thought civilization as we know it was ending. The fans went nuts and the athletic director backed off. And they had lots of money and I think at the time they may have been returning money to the university, but they were doing just fine, and they still are one of the handful of universities that really doesn't have any issues.

I came here and found out that—I mean, the first OUS board meeting I went to, I was asked how come Athletics has a six million dollar debt, which nobody had told me about. So, I came back, and there's more to the story which I'll spare you, but I told Bob De Carolis he didn't have a twenty-seven million dollar fundraising goal for Reser for the new site of the stadium, he had a thirty-three million dollar goal, because I wasn't going back to the board a year later and explaining why they still had a six million dollar debt. It turns out they covered the debt; they didn't cover it in a way that long-term made a hell of a lot of sense, but they did cover the debt, they did do the building on the stadium.

I would say that on and off, but pretty much continually, they've run at a deficit. We provide—I started providing, trying to taper-down the amount of university support we give them. So, let's say at the time they were a fifty million dollar program, we were providing four million dollars a year in university funds. And I would tell people "you know, we're talking eight cents on the dollar here. We're talking about five hundred students who have this incredible intercollegiate athletic experience, as many women as men, in sixteen, seventeen different sports at any one time." It's a source of pride, of enjoyment for students, staff, faculty, for alumni and friends of the university; it's a way to reach out to people and connect with them in a way that's not as stressful as a pop quiz, or something else you might think of. So, it's all good, eight cents on the dollar isn't so bad. Well, we've been struggling to get anywhere near eight cents on the dollar pretty much ever since. And it still is a work in progress. I'm really hopeful that Todd Stansbury—we need to do more on the revenue side.

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The short version of the story is Bob De Carolis was very conscientious about trying to control and manage costs. We need to be more successful on the revenue side. We need to get more donors who give to athletics. We peaked at something like sixteen million at some point, now it's down to about, or more recently, down to about nine million a year in donor support. We need to get more donor support; we need to breathe some excitement into game day experiences for different events. And it's not rocket science: we need to be winning. Winning cures a lot of illnesses. And I think we've got a great coach in women's basketball, obviously. Scott Rueck is world-class. I mean, he's arrived and the team is competing at the highest conceivable level. I'm very excited about Wayne Tinkle, I think he did pretty amazing last year and those kids played their heart out, and now he's got a different problem: how do you get a lot of talent to behave as a cohesive team? But I think he's got sort of the right attitude, and certainly the staff and ability to do it.

Mike Riley had good years, had not such good years, appropriately everybody loves him and imagined he would stay forever. I think we were all quite surprised when he left, but Nebraska is a storied football program; it's not inconceivable he thought he had one more shot at the big, big time, and so he took that opportunity. But then that gave us the opportunity to bring Gary Andersen here. I think the world of him. Everything I see I like, particularly his dogged commitment to get the football team to a 3.0 grade point average, which I think is appropriate. So, we'll see how things go in the Andersen era.

Bob left. He could have stayed through the end of next year at a minimum, and so that gave us a chance to look for a new athletic director. Todd was here before and had a lot of experience here, started a lot of the student-related programs. He and Marianne [Vydra], I think, were behind the leadership program for student athletes, the everyday athlete recognition, the Beavers without Borders where student athletes go abroad on special projects in poverty-stricken areas. But he also did a lot of things when he got a chance to be the head person at Central Florida that people took notice of. So, I think he was a name among really up-and-coming athletic directors. And so, bringing him back here hopefully will help us.

Our challenges, our greatest challenges are on the revenue side; attendance at events, donor support are really probably the key areas. We've had some success with the—you know I was involved with the forming of the PAC-12 from the PAC-10 and the PAC-12 networks, that's had some success. It's basically a little better than break even, the networks at this time. I think if we do conclude a deal with AT&T, which now owns Direct TV, that it won't give us as much money as it would have if Direct TV had just signed up, but we're not going to sign up with them unless on balance we get a little bit more than we do now. And I think longer term we'll be thinking about getting a partner and, in a sense, selling a good part of the equity, now that the networks are up and running and producing very good product.

So for example, in the Big Ten they were the first one to have a network, the Big Ten Network, that really is a partnership with Fox. Fox owns fifty-one percent of the stock, they do all the programming, all the scheduling and so forth, and they make payments back to, obviously themselves, but to the Big Ten teams as well, and I think that's worked fairly well. Now ESPN is partnering with the SEC. The same sort of thing; SEC Network, and there'll be resources that come back to the individual institutions. I expect at some point we may take on a partner, there'll be a distribution based on the value of the sale, and then hopefully annual funds that will help on the revenue side.

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Longer term we have to look at local radio, television. We have a contract with Learfield that runs through 2021. And whether we renew that or not or what we do remains to be seen. Todd needs to have some time to figure those things out. He's only been on the job for...nineteen days.

CP: Yeah, less than a month.

ER: So, we'll cut him some slack, give him some time to figure that out.

CP: Yeah. Well, I want to ask you about the creation of the PAC-12. That was an important and exciting time; a new commissioner, a very young, aggressive commissioner spearheading this charge. What are your memories of that?

ER: Well, it wasn't the new commissioner. I mean we went after a new commissioner because a number of us felt that we really weren't doing terribly well. I mean, we were bringing in about sixty million dollars a year before the PAC-12.

So, we were each getting five-plus million dollars a year. The SEC was already doing its thing, the Big Ten, so it's clear there was more money out there. I think if you think of the big five, or used to be the big six, we were in fifth out of six places or whatever, in terms of our contract. So, we knew when the commissioner was going to step down and we needed a different kind of person, we needed someone who understood modern media contracting and so forth, and we weren't thinking about a network. We were just thinking about, we need to raise our game in terms of media marketing and so forth.

And so, we had—the executive committee at the time consisted of John Hennessey, who was kind of the CEO chair, Michael Crow, who is next in line to be the CEO chair, and then I was the finance guy and we sort of each served as head of the board for a two-year period. So, it was really during that whole six year period that pretty much everything got sorted out, and we were all still there because John Hennessey's still at Stanford, Michael Crow's still at ASU, I'm still here. So, we were fortunate we had consistency in the senior leadership and the people who are trying to orchestrate the transition. John Hennessey took the lead on negotiating the contract with Larry Scott when we brought him here. He had been the head of the Women's Tennis Association.

What most people don't realize is, I think it was Wimbledon where they first paid—the women's prize money was the same as the men's. He's the guy who got the other three to do the same thing during his tenure as World Tennis Association executive director. So, very successful there. I actually went to a dinner in, I think it's called The Gotham in New York, where he was honored with a humanitarian award for the work he had done while with women's tennis, and just generally. It's a very distinguished award; one person a year is recognized. I think it's the American Jewish Society that recognizes people. So, he's a person of real substance, so we were lucky to get him. And then we sort of told him, "go find out what's this college sports world all about and figure out what we ought to be doing going forward."

So, we got serious about what we needed to do, and I think there was a sense that if we were thinking about signing a contract for broadcast rights or whatever, the first thing we needed to think about was what is the product? And there were a number of changes going on in the Big Ten and the SEC, teams moving around, schools moving from conference to conference. And so, we had a conversation about so, would we change the PAC-10 at all? And I can tell you that I think we had possibilities that went to the PAC-20. I know it was the sixteen, but I actually think there was a PAC-20, and what schools would you include in that?

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And what was really kind of interesting from the very beginning is people said "you know what, we think the PAC-10 is a collection of really fine academic institutions." In fact, my sense, and maybe it's a prejudice, having come from the Big Ten, I think that academically among the five, the Big Ten and the PAC-12 now are the most academically highly regarded conferences among the major Division I conferences now. So, we had a discussion and it was, well, we could add schools and then we could go to divisions and we could have a championship game and that would help on the revenue side, and if we got another couple of schools or four schools or six schools, then that would be a wider audience and we could go to the media and see what can come of that. We very quickly—if you look at the geography, there are not a lot of major markets that we're not already in.

And so, I think it was at that point that we were pretty clear, you know, maybe Utah, Colorado. We talked about lots of other places; Oklahoma, Oklahoma State, Baylor, Texas, you name it, but we very quickly settled on Utah and Colorado, partly because geographically for travel for students athletes, just lots of things, they were the obvious, most local markets of very fine academic institutions. The University of Utah, the University of Colorado are themselves among the finest academic institutions out there. So, we all felt good about that. The brand is the academic quality. And it really is strange, I mean the statement is that the PAC-8, PAC-12 is the conference of champions, but it's extraordinary; if you look at NCAA championships, the PAC-12 is now over four hundred. The next closest is the Big Ten, which is about two hundred and fifteen. I mean, it's not even – and the others, forget it. So, it really is the conference of champions.

So, there was a tradition, history, points of pride, also the sense that we're not just some kind of sports complex; we are a collection of really fine academic institutions. So anyway, we had a meeting and I had some years ago—Steve Sample was president of USC, and USC and UCLA had Los Angeles local media contracts, and so we were talking about, well, what are we going to do if we get a new contract, partner with somebody, how should this work? And I proposed that no matter what we did, nobody should be disadvantaged by whatever national contract we made. So, at the very least

USC and UCLA had to be made whole. Then we could talk about how much money went to other people. And he really appreciated that and I think that kind of sunk in as kind of a cultural thing that we all sort of like that idea that nobody wins because somebody's now worse off than they were from the very beginning.

So, we had a meeting where we talked about, can we agree to a twelve year contract? Because remember, schools are moving in and out of conferences. Would we at least sign up for at least twelve years? Nobody will leave this coalition for at least twelve years, because if we can do that, that's attractive to a media partner. I mean, if you've got a media partner and UCLA and USC pull out, what did you just do? Not something that's very good for them. So, we talked about divisions, who would be in the divisions, who would play whom and so forth, and we finally, everybody agreed we'll be for twelve years, the twelve of us will sign up.

And then the question was, how are we going to distribute revenues? And the feeling was, and it goes back, and that's why I told you about the conversation with Steve Sample, the question was when will we share all revenues equally, that it doesn't matter that you started out in a better market than somebody else? We want nobody to be a lesser citizen or a member than somebody else. It's just a better way to be. Nobody's special. And we talked about it and we had talked about - remember, we're getting sixty million a year, so we're thinking about, you know, and we had outside consultants; well you know, if they did their job we ought to be able to get to a hundred and twenty, just doing their job, and if they're worth a damn we ought to get to a hundred and fifty. So, what we agreed, and Max Nikias was wonderful about this, after we had sorted out all these other things. So, it was clear people were thinking about natural rivalries and not putting people at a disadvantage. We had talked about a hundred and seventy million, if we got—any year that we got past that, from then on, we'd have equal shares of all the money. Otherwise it'd be prorated based on what you're already bringing in, I think, or I don't remember what it was.

Anyway, Max said that he would amend that, that when we got to a hundred and seventy or after five years, whichever came first. In case we don't get to a hundred and seventy in five years, in five years we'll just go to equal distribution, even if we're not at a hundred and seventy. So, that was basically the deal that we all agreed to, and we sent Larry off to go talk to media about what kind of a deal can we get.

So, he comes back, and I was head of the CEO group at this point, so he comes back and he's negotiating and he calls me on the phone and he says, "you know, I'm talking to these guys," and he says, "you know, we have this basic package for twelve years and it's six billion dollars and it's two or three billion dollars and it's two hundred and fifty million dollars a year. And I swear to God it was like "did he say a hundred and fifty?" I said "did you say a hundred and fifty or two"—"no, it's two hundred and fifty million a year." "Oh, okay." So, then he says "is there anything else I ought to ask for?" I said "well yeah, you ought to ask for some upfront money, like earnest money." He says "oh, you mean like a signing bonus?" I said "yeah, that'd be good. You know, ask them for sixty million dollars up front." So, he goes back and asks for sixty million up front and they agree. I told him after, I said "God, if I had known that, I would have said two hundred million up front."

Anyway, that's how the deal got consummated. And once we had reached the deal for the PAC-12 package, then we talked about, so what do we want to do about a network? Do we want to have our own network? Do we want to start with a partner? What do we want to do? We agreed that basically it's pretty low-risk; we would make sure that we never went beyond the subscriptions, what subscriptions would support. So, roughly I would say we have sixty million in subscriptions. That was enough to launch. The sixty million that we got upfront from the network was enough to pay before you had product to put the PAC-12 networks together.

That now maybe brings in sixty-five, sixty-six million, costs sixty million; it makes a little bit, but not much. Direct TV would have brought in a substantial amount. I think at one point we were talking about thirty-three million additional itself. And it won't be that under AT&T, because they're going to want a special deal, and I don't want to bore you, but we have more favored nation agreements, so everybody gets the same deal, so if they don't pay what everybody else is paying, everybody else won't pay what they're paying and then the question is what is the net? And that's what the conversations are about now; at what level does Direct TV get signed up? What about this idea of finding a partner like Fox, like ESPN in the way that the others have? So, here were are.

But hiring Larry was a very deliberate decision on the part of all the CEOs, that we need to get back in the business of raising resources for intercollegiate athletics in the PAC-10, 12, because we're at the bottom of the group and we've been

stuck there forever. And then he really has been, done an exceptional job, I think. I think the world of him. He has really good values too, cares about student athletes, was a—played professional tennis for a time.

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So, I feel good about where we are. The next big thing is going to be, what happens with the PAC-12 Network; who we get to sign on and/or do we do anything about taking on a partner? And that'll help dramatically on—both of those would help some or a lot on the revenue side, depending upon the size of the deal. It was really good, because just as we hired him, I was the chair of the executive committee of the NCAA, and so this was 2008, '09, Myles Brand had passed away. They had an interim president and I was chair of the executive committee. So, I got involved in the negotiations because it turned out that in an eleven-year contract with CBS, we had a reopener on the NCAA tournament. And so, the question was, did we want to go into the market or not?

There literally was a point in winter or spring of 2009—so this is the depths of the recession—where CBS owed the NCAA more than its market value. It owed the NCAA three billion dollars of the original six billion and it wasn't trading at three billion dollars at the time. They obviously did very fine and are in great shape now, but it was a reopener year, the eighth year in an eleven-year contract, and we brought in consultants and we decided to renegotiate. And this is a long story too, but to keep it short, they were willing to meet the competition and not require us to go to [a tournament of] ninety-five, which would have rolled the NIT into the NCAA package, that it all would have been one big package. And there was a lot of, you may have heard, public conversation at the time; is the NCAA going to go to ninety-five? What's going to happen?

So, we agreed to keep it at sixty-five and in fact add three more regional games, so it went to sixty-eight and then you have the people on the bubble play to get into the sixty-four and then you do the sixty-four. But we ended up signing, for just men's basketball, 10.7 billion dollars for the next fourteen years, rolling in the three billion that was owed, plus now another 7.7 billion. And the consultants had told us that the previous contract had been very rich and there was no way we were going to get another six billion. So, their betting would have been that we'd be, instead of at 10.7, that we would have been maybe at 8.7 for everything, which is what they had negotiated before. Well, now it's just men's basketball. So, then we add another contract for women's basketball.

And a lot of the major networks and cables were coming up on their renegotiations with subscribers, so they were looking for product. And again, we could take a long time on this, but if you really want to understand why did the prices go sky-high, it's because it's the ultimate reality TV. I mean, now you can TiVo and record and on-demand, everything, but nobody wants to see last Sunday's football game on Thursday. So, what captures eyeballs and what's inexpensive to produce relative to dramas and so forth is reality TV, and athletics is the ultimate reality TV. And so, the money was there from the major networks to make these transitions. So, we really kind of hit that situation just right, even though it was the worst of economic times. They were all looking forward and wanting to lock things in. So, our contract runs through 2024. And then we'll see what happens after that. But these were wild and interesting times.

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We actually had a conversation—so to put a close on all this, we actually had a conversation, it would have been about 2013, '14, there was another round of schools starting to move around; it's Maryland and Rutgers are now part of the Big Ten, which has fourteen schools. I think the Big Twelve has ten. I don't know, anyway, people started moving around again, and so Larry asked, what did we want to do? And I told him, well, just go out and find out what the market is and just bring back whatever you learn. And we didn't—we had a conference call and it was, I made it clear, we're not voting on anything, we're just hearing from Larry what's what out there. So, he kind of told us what the situation was out there, and what was remarkable—it must have been '12 or '13, because we were just launching the PAC-12 Network—sort of people in turn, a number of them would say "you know, this is crazy. We like who we are. We like each other. We work well. Nobody's a prima donna, everybody's treated the same, we like that. We're starting a new network, we're excited about that. We don't want to keep screwing around, changing and adding and subtracting."

So, Larry and I talked—so later that day, basically Larry, on behalf of the PAC-12, put out a press release that said "we're done. We're the PAC-12 for the foreseeable future. We have no plans of doing anything else. Everybody else can do whatever they want, go crazy, but we're the PAC-12." And that's where we are now.

CP: One last question, if I might, on athletics and then we'll close up for today. I'm interested in your perspective on the rivalry with the University of Oregon. You came here from a place that had a long and bitter rivalry with a different school and you came to OSU and found something similar.

ER: Well, at Ohio State the big rivalry is Ohio State and Michigan. And in fact, the joke is you can't use the M word in Ohio, so it's called "Ichigan." So, I got a kick out of - there was an article last year when the Michigan-Ohio State game was coming up, and it's always the last game of the season. Now they have playoffs, but before they get into the playoffs it's the last game of the season. And the guy—and his closing remark as he talked about how they don't use the M word in Ohio, he said "the only way for Ichigan to win is if they have an iracle." I don't know, it just kind of captures it.

Anyway, so I came here and I heard—you know, so I'm obviously familiar with the idea of rivalries—but I heard "Civil War" and I thought hmm, you know, the Civil War was, this was not a funny, lighthearted thing calling something the Civil War; just kind of took me aback a little bit. And then I realized, I started meeting people and it's like every family has someone on one side or the other. So, if you're a family of Ducks there is this rogue child who insisted on going to Oregon State University and aggravating everybody else in the family, or if you're four generations of Beavers, there is this kid who insisted on going to Oregon and is the aggravating Duck every time Oregon plays Oregon State. So yeah, so then okay, I get it, it's not that bad.

It's interesting. I mean, I think some people—it's like anything else, people get carried away. I mean, do you root for the Ducks when you're not playing them or do you hate them so much you always root against them? Well, this is the same thing I heard with Michigan and Ohio State. I mean, each fan figures out where on the maniac scale they are with respect—it's all good. I mean, we do a lot of positive, collaborative things with the University of Oregon. ONAMI, Oregon Nanoscience and Microtechnologies Institute, was the outgrowth of collaboration between a U of O chemist and an OSU engineer talking about microchannels and nanotechnology and how they could do things together. We're collaborating on this Regional Accelerator Innovation Network.

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I mean, there are a lot of things we do on the serious side of life that really, I think, serves the people of Oregon well. But, you know, sports, it's okay to go crazy. I remember some years ago Walter Cronkite, on the eve of the Super Bowl, they asked him, "well what do you think of the Super Bowl?" I mean, this is Walter Cronkite, you know, he's delivering the world news for decades. And they said "well, what do you think of the Super Bowl?" And he said he thought it was wonderful because everybody gets all excited and there's this incredible sense of anticipation and excitement and there'll be victory and there'll be heartbreak and it all signifies nothing. He thought that was wonderful. So, it's just total escapism. And I think if you can keep that perspective, I mean you want to beat the hell out of them; the next day you're working together over a cup of coffee. It's all good.

So, I don't see any problem with it. In fact, ironically, and it's kind of when we're doing this, but we literally are having Mike Schill, the new president of the University of Oregon, over at the alumni club this afternoon for a reception to welcome him to Oregon. And I worked well with all of his predecessors. I had just incredible regard and affection for Dave Frohnmayer, particularly, and his wife Lynn and their daughter Amy, their family. So, I think adults figure out which part of this you want to take less seriously and more seriously. But you know, anytime we play them I want us to knock their blocks off, but I do understand that it does signify, in some fundamental sense, nothing. It is a game. But that doesn't mean you don't want to win. It's kind of like when you're a little kid and you got a brother or a sister and you're ready to kill them over checkers or chess or whatever. That's human nature.

So, it's all good. Gets people excited. And coming back to alma mater and feeling some school pride. Gives wonderful experience to the student athletes and the student—it's part of the culture of going to college and being an alumnus and being able to come back and see friends and hope you knock the block off whoever your adversary is. It's all pretty harmless as long as people keep it in perspective. It's all great fun and pretty harmless.

CP: Alright. Well, thank you Dr. Ray, we'll finish up next time.

ER: Sure.

[1:32:54]