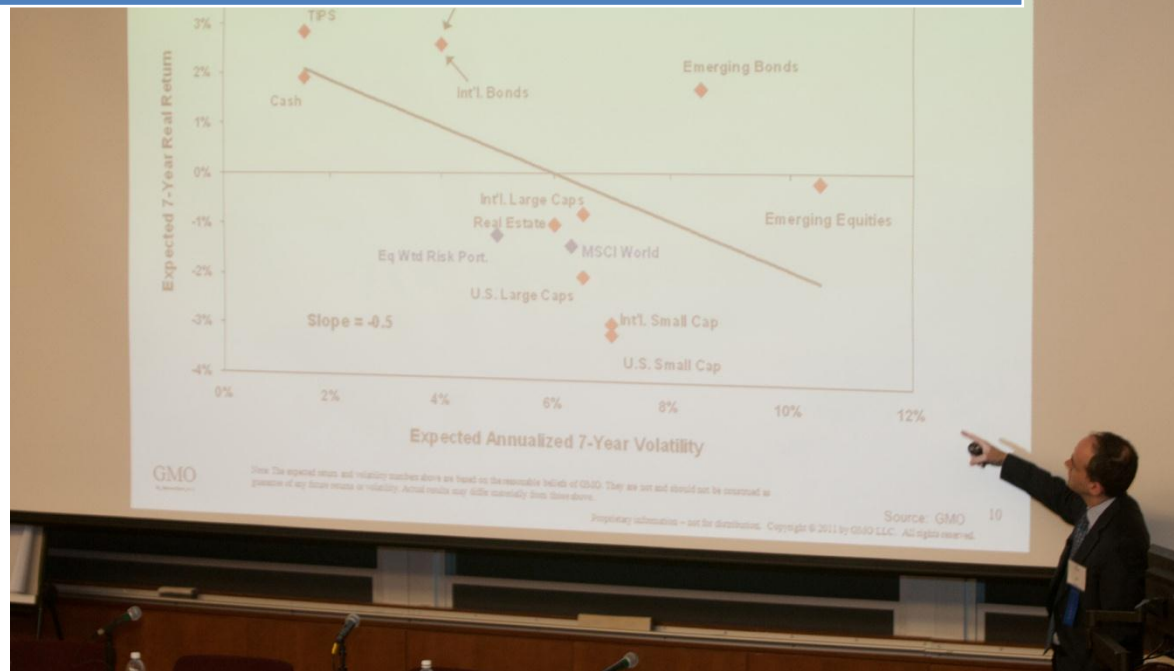


**Stephen D. Cutler Center for
Investments and Finance**



F. Mark D'Annolfo,
Director
May 25, 2011

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Executive Summary

1. The Cutler Center had a **strong 2010-2011**, a year characterized by unprecedented growth in the Center's reach and impact. It has become an important part of the finance division and a **differentiator for the division and College**. We note that *Bloomberg Businessweek* ranked Babson College **#2 and #6, respectively**, over the last two years in **financial management** in the U.S. among undergraduate business schools.
2. The Cutler Center completed a **detailed strategy report** this year which identified the direction of the Cutler Center over the next three to five years and some longer term opportunities and challenges. This should provide a road map for the Cutler Center going forward.
3. The **finance faculty, Cutler Center Board, and Executives-in-Residence** continue to play a very important role in the success of the Center.
4. The Cutler Center has been **very judicious with the use of funds**, and was able to **establish an endowment** in 2010. We are currently the only **self-funding Center** on campus.
5. The Cutler Center sponsored a number of **educational events** that also served to **increase the visibility of Babson and finance at Babson** among alumni and investment professionals. Some of these events included the Cutler Center Boston Speaker Series, Capital Raising panel, High Frequency Trading panel, and the full-day Cutler Center BIMA Conference. In total, we **sponsored or co-sponsored over 40 speakers**.
6. The Cutler Center also **partnered or worked with** external groups such as the Boston Security Analysts Society (BSAS) and the CFO RoundTable, and internal groups such as the Blank Center, alumni office, the Center for Career Development, and the admissions office.
7. In the experiential learning area, the Babson College Fund (BCF) has **beaten the S&P 500 over 1-, 3- and 5-year periods**. Of the 47 MCFEs completed this academic year, five were nominated for the Best MCFE Award. Of the **five nominated, three were Cutler Center (finance/investment) MCFEs. The MCFE team that won was a Cutler Center MCFE team**. In addition, there were also multiple student finance organizations.
8. The **Faculty Seminar Series was a great success** with seven speakers from around the world presenting at Babson. We also note that the Cutler Center received some **very good press** from Professor Michael Goldstein's many speaking engagements.
9. The Cutler Center currently spends **almost 30% of its budget on technology resources** for research and curriculum support.

Introduction

The Stephen D. Cutler Center for Investments and Finance, through thought leadership, education and mentoring, has become an **important part of the finance division and a differentiator for the division and College**. *Bloomberg Businessweek* ranked Babson College #2 and #6, respectively, over the last two years in financial management in the U.S. among undergraduate business schools. It was also a year characterized by **unprecedented growth** in the Center's reach and impact. **This report outlines what the Cutler Center has accomplished over the last year (May 31, 2010 through June 1, 2011) and discusses some of our upcoming programs and activities.**

Cutler Center Management

Mission Statement

Our new **Cutler Center mission statement**, approved by the Cutler Center board in July 2010 and by the Finance Division in October 2010, is:

The Stephen D. Cutler Center for Investments and Finance at Babson College is dedicated to advancing the understanding and practice of investments and finance in our global economy. The Center provides programs and resources that enrich student experience, support faculty research, and engage our alumni community. It is committed to furthering Babson's innovative and practical approach to finance education and enabling industry practitioners, faculty, and students to collaborate and learn from one another.

Strategy report

We completed a **detailed strategy report** which identified the direction of the Cutler Center over the next three to five years and some longer term opportunities and challenges. The report included our Cutler Center mission and strategy statements, a description of the organization (history, leadership team, governance), SWOT analysis, how we plan to achieve our goals (budget, outreach, student experience, faculty and research, and technology/curriculum support), and funding.

This will provide a road map for the Cutler Center going forward.

Leadership Team

There were no major changes to the leadership team this year, which is as follows:

- Kathy Hevert, Ph.D., Associate Professor of Finance, and Chairperson, Finance Division
- F. Mark D'Annolfo, Director of the Cutler Center and Faculty Advisor, Cutler Center MCFEs
- Michael Goldstein, Ph.D., Professor of Finance and Faculty Director of the Cutler Center
- Rick Spillane, CFA, Faculty Director, Babson College Fund, and Cutler Center board member
- Jack Cahill, Manager, Cutler Center Research and Instructional Services
- Julie Bentley, Cutler Center Coordinator

It is also important to note that the **finance faculty, Cutler Center Board, and Executives-in-Residence** continue to play a very important role in the success of the Center.

Governance

In addition to the Cutler Center leadership team meeting and interacting on a regular basis, there is also an external [Board of Advisors](#), consisting of senior investments and finance professionals, which meets several times per year. We had our first virtual board meeting on July 13, 2010, our second board meeting on September 22, 2010 at Babson College, and our third board meeting on March 9, 2011 at Fidelity Investments. **We would like to thank Shahid Ansari**, Provost of Babson, for attending our September board meeting and discussing the College's new strategy with the board.

Our next two board meetings are scheduled for September 21, 2011 at Babson College and March 7, 2012 (tentatively) at Fidelity investments. Mark D'Annolfo, Director of the Cutler Center, is responsible for setting the meeting agenda and board communications.

Funding

The predominance of funding for the Cutler Center continues to come from **Mr. Cutler and Mr. Kilmer**, with the finance faculty a secondary source of funding. ***Our many programs and resources would not have been possible without the generous support of our benefactors.***

We note we have been **very judicious with the use of funds**. For example, we partner with other organizations, internally and externally, to reduce costs, use multiple sources and negotiate aggressively for the best rates, bring our own projector (which is technically not permitted) to the Harvard Club, saving \$300 per event, and the like. We also wrote a new Excel program to manage our budget more effectively.

On August 9, 2010, we established a \$196,000 **Cutler Center endowment**. As of March 31, 2011 our endowment increased \$18,293, now totaling \$214,293. An endowment will accomplish several things. It will provide donors with another option to give to build for the future versus a current-use gift. And, it will add some recurring revenue. Based on the endowment formula used (5% payout based on a 20-quarter average value), the Cutler Center will receive an estimated \$10,400 for its operating budget in

the December quarter. It should receive a similar payout annually, adjusted for inflation, going forward (provided the fund maintains/increases its value).



From left to right: Julie Bentley M'10, Cutler Center Coordinator, Stephen Cutler M'61, Carlton (Carl) Kilmer M'69, and Mark D'Annolfo, Cutler Center Director

Four Principal, Overlapping Components

For simplicity's sake we have divided the Center into four principal components. These are:

1. *Outreach and Marketing*
2. *Student Experience and Education*
3. *Faculty and Research*
4. *Technology/Curriculum Support*

The Cutler Center will spend an estimated 33%, 19%, 19% and 29%, respectively, in F2011 on these areas. We also note that there is **overlap among the respective areas**. In other words, the Cutler Center Boston Speaker Series is designed to increase the visibility of finance at Babson among the alumni and Boston business and investment's community. However, it also provides selective students with networking opportunities and is designed to be educational as well. Virtually everything the Cutler Center does has an **educational component** to it, as this is consistent with the very first line of the Cutler Center mission statement.

Outreach and Marketing

An important function of the Cutler Center is to promote finance at Babson and hence Babson College as well. Mark D'Annolfo has taken responsibility for this area. We have undertaken a number of initiatives, both internally and externally focused. These include:

- **Cutler Center Boston Speaker series.** This was started in the fall of 2009 and takes place at the Harvard Club in Boston, which is convenient for investment and finance professionals. The three 2010-2011 speakers we sponsored included:
 - *Dave Lamere*, Trustee and Cutler Center board member, and former Vice Chairman of BNY Mellon and CEO of BNY Mellon Wealth Management – June 10, 2010. This event was co-sponsored with the Financial Services Career Affinity Group. His topic was: "The View Forward: Wealth Management in a New Era."
 - 95 people were in attendance.
 - *Bruce Herring*, Trustee and Cutler Center board member, and CIO, Fidelity Investments – October 6, 2010. This event was co-sponsored with the Boston Security Analysts Society (BSAS). The BSAS co-sponsors very few events. The topic was: "Research and Portfolio Management in a Dynamic Market."
 - 114 people were in attendance for the event and reception.
 - *Dan Fuss*, Vice Chairman, Loomis Sayles & Co. – February 9, 2011. This event was co-sponsored with the Financial Services Career Affinity Group. His topic was: "Bond Market Outlook."
 - 100 people were in attendance.

Upcoming events include:

- *Walter Donovan*, CIO, Putnam Investments – September 9, 2011. This event is being co-sponsored with the Boston Security Analysts Society and will be held in downtown Boston.
- February 8, 2012 – Speaker TBD.
- The Cutler Center co-sponsored the **Boston Business Breakfast Forum (BBBF)** at the Harvard Club in Boston on March 10, 2011 with the Boston Alumni Club and the Financial Services Career Affinity Group. Finance Professor Steven Feinstein moderated the panel discussion of “Tactical Asset Allocation: Latest Fad or Essential Strategy?” Alumni who graduated prior to 2000 (when the Cutler Center was established) are likely unfamiliar with the Center. We spoke for about 10 minutes at the end of the event about the Cutler Center and what it offers to the Babson and alumni community.
 - 58 people were in attendance.
 - We have another co-sponsored BBBF event on the agenda for March 8, 2012.
- The Cutler Center began **co-sponsoring events with the Blank Center** in the fall of 2009, where we co-hosted author and Advent International Chairman Peter Brooke at Babson. Venture capital/private equity is an area of overlap with the Blank Center. On November 3, 2010, we co-sponsored another event with the Blank Center. Finance Professor Richard Bliss moderated the panel on, “Raising Capital in Today’s Economy: A Conversation Among Investment Professionals.”
 - 87 people were in attendance for the event and reception.
 - We have another event planned for November 16, 2011.
- The Cutler Center has a built relationship with the **CFO RoundTable**, a professional organization of Boston-area CFOs, to host several of its larger networking and speaker events at Babson. The first event was on June 2, 2010 and the speaker was Babson Professor James Hoopes. The second event was on September 8, 2010 and was their “Law School for the CFO Conference.” We spoke at the start of the event welcoming everyone to Babson, talked about the Cutler Center, finance at Babson and recruiting at Babson. Separately, we are meeting with the management of **Finance Executives International (FEI)** to inquire about partnering with them on some future events or in other areas.
 - 200+ finance professionals attended the September 8th CFO RoundTable Conference.
- The Cutler Center also **partners with the alumni office** to sponsor events at Babson. These co-sponsored events included:
 - *European Debt Crisis panel* – October 21, 2010. 43 people were in attendance.
 - *Equity Metrics: Valuation* – November 18, 2010. 41 people were in attendance.

- *Dubai After the High panel* – February 16, 2011. 97 people were in attendance or registered for the Webinar.
- *High Frequency Trading panel* – April 7, 2011; Finance Professor Michael Goldstein moderated the panel. 66 people were in attendance or registered for the Webinar.
- We hosted our [Fourth Annual Cutler Center BIMA Conference](#) on March 25, 2011. This conference was titled, “The Global Outlook and Investment Strategies.” The conference consisted of three keynote speakers, two panels moderated by Finance Professors Steve Feinstein and Ryan Davies, and a networking lunch and reception at the end of the conference. As one Babson faculty member said in describing one of the keynote presentations, *“I thought Andy Lo was great. That was one of the best lectures (keynotes) I have attended anywhere in the past 20 years.”*
 - Approximately 150 students, faculty, alumni and investment professionals attended the full-day event.



Fourth Annual Cutler Center BIMA Conference bond panel

- The Cutler Center publishes an **e-newsletter** every fall, winter, and spring. It contains a Message from the Director, Cutler Center News, Faculty News, BCF News, Library News, and Student News.
- The Cutler Center presents to incoming **two-year and one-year MBA students** during their orientation program. We inform them about the Cutler Center, finance division and the multitude of resources available to students.

- The Cutler Center and finance division work closely with **graduate and undergraduate (UG) CCD**. For example, we:
 - helped organize and recruit for the Babson MBA Financial Services Networking Event on February 7, 2011; Cutler Center board member David Thompson and Executive-in-Residence James Spencer participated in the program;
 - made corporate introductions to UG CCD resulting in Charles River Associates now recruiting at Babson for finance positions;
 - through our professional contacts, provided graduate and UG CCD with multiple student internship opportunities.

- The Cutler Center publishes a **brochure**, which is updated yearly. Our **web-site** is being continuously updated and expanded and we are well prepared for the migration to the new web-site this fall. There was a **Message from the President** (Len Schlesinger) sent by e-mail to all faculty and staff this winter discussing the Cutler Center's 10-year anniversary and its many achievements. There will be a short **profile of the Cutler Center** in this summer's *Babson Magazine*.

Some new initiatives the Cutler Center has undertaken this year include:

- Working with **undergraduate and graduate admissions**.
 - We attended several receptions for admitted MBA students who were deciding which MBA program to attend, discussing how finance at Babson was unique. The feedback was very positive.
 - Coordinated with UG admissions, we sent a letter from finance chairperson Kathy Hevert to several hundred admitted students interested in finance who were deciding what college to attend, explaining how finance at Babson is unique.

- Given how well the Cutler Center Boston Speaker Series has progressed, we are planning a **NYC Speaker Series** for this fall. The Cutler Center is partnering with the Financial Service Career Affinity Group and the NY Club Committee to sponsor an event at the Princeton Club on November 10, 2011.

- Babson's Human Resources (HR) department organizes informative seminars on topics such as financial planning and estate planning, but very little in the area of investment education or advice. The Cutler Center can add value in this area and is **partnering with Babson HR** to sponsor Cutler Center board member Jurrien Timmer, portfolio manager and Head of Global Macro at Fidelity Investments, to present to faculty and staff at Babson on October 25, 2011.

There will be a reception to follow. If the event is well attended, these “wealth management” presentations are something we would expect to continue.

- We budgeted for a faculty research conference, but with the curriculum redesign, finance concentrations and the like, the faculty decided not to execute a conference this year. Hence, we redirected the funding to outreach and purchased two **advertisements in the *Wall Street Journal* Eastern Edition**, with a circulation of 756,180. The promotion highlighted:
 - the finance division’s #2 ranking among UG business schools;
 - investments leaders who have graduated from Babson;
 - additional investments leaders who have spoken at Cutler Center events.

The advertisements—see Addendum A—appeared in the Business Education section on April 7, 2011 and in the Money and Investing section on April 13, 2011. The promotion was created in consultation with Graduate and College Marketing.

- The Cutler Center was a **Silver Sponsor for the Boston Security Analysts Society Market Outlook Dinner** on March 1, 2011. We had our Babson College/Cutler Center banner on display, a special mention at the event, and a preferred table with many of the Cutler Center board in attendance (among other promotions). Ed Hyman, Chairman and Founder, ISI Group, was the keynote speaker.
 - There were 300+ investment professionals in attendance.
- A **“Rocket Pitch”** was created for the finance division, as well as a [brochure](#) on how the finance division is unique. Names of MBA alumni in corporate finance and investments were given to Jon Kerbs in Graduate Marketing to create **profiles** we could both use in marketing the MBA program and finance at Babson.
- The Cutler Center **sponsored the banking panel** at the “3rd Latin Entrepreneurship Forum.” The event drew several hundred people and the Cutler Center had a banner at the event as well as a mention of its mission at the introduction of the panel.
- Finally, an event we worked on that never came to fruition was bringing **Jim Cramer of Mad Money to Babson**. A Babson alumnus, David Sargent, contacted Babson after he saw Mad Money with Jim Cramer broadcast from Tulane and thought it would help increase the visibility of Babson to bring the show here. (Mad Money does several shows a year at different colleges around the country). David also offered to raise the funds to host the show at Babson. However, after months of trying, including help from the CFO of Comcast (Trustee at Babson) to help with an introduction to the Executive Producer, it was a no-go. The request went all the way to the President of CNBC who indicated they only do one to two shows per year at colleges and they tend to only be the larger schools (they have specific criteria).

As stated, many of these events are designed to be educational. It is also our expectation that these activities and events will raise the visibility of finance at Babson among alumni and investment professionals.

See Addendum B for a **summary of Cutler Center events.**



Dan Fuss, Vice Chairman, Loomis Sayles & Co., presenting at the Cutler Center Boston Speaker Series on February 9, 2011 at the Harvard Club in Boston

Student Experience and Education

Education

The Cutler Center helps support, financially and/or through management resources, two major programs centered around “Experiential Learning” at Babson: the Cutler Center (finance/investment) MCFEs, and the Babson College Fund.

- **Cutler Center (finance/investment) MCFEs.** Mark D’Annolfo is the faculty advisor for these MCFEs. The Cutler Center helps recruit companies for the Cutler Center MCFEs. There was strong interest among students for the Cutler Center (finance/investment) MCFEs and five Cutler Center MCFEs were completed by student teams this academic year. In some cases, there were a dozen students competing for five spots on a given team. ***Of the 47 MCFEs completed this academic year, five were nominated for the Best MCFE Award***, which comes with a cash prize given by Babson-United Inc. (founded by Roger W. Babson). ***Of the five MCFEs nominated (mostly by the client companies) for the award, three were Cutler Center MCFEs.*** The ***MCFE team that won the award for the best MCFE was a Cutler Center MCFE team***, doing an investments project on India for Cambridge Trust Company.
- **Babson College Fund (BCF).** The Babson College Fund had another strong year. Faculty Director Rick Spillane initiated a number of changes in the program. There are currently seven Executives-in-Residence for BCF who help guide students in their investment analysis and decisions. Forty-six students competed for 22 spots in BCF this academic year, with 13 UG and nine MBA students completing the programs. ***BCF has now beaten the S&P 500 over 1-, 3- and 5-year periods, surpassing some professional managers hired to manage the equity portion of the Babson endowment.*** To date (one-year applications are processed in August), 19 new students have been selected for 2011-2012, 10 UG, eight MBA and one FastTrack student. The transition to the new team has already begun.
- **Babson College Fund (BCF) for Fixed Income.** The Cutler Center ***funded a detailed*** study by Professor Ryan Davies on potentially starting a BCF-style, student-run fund/course, but for fixed income. While there are currently over 400 colleges and universities with student managed funds, almost all of these are equity-focused. Only seven universities and colleges have a fixed income fund. While there are challenges, particularly in the area of trading bonds, there are also a number of options that could be employed in designing and managing such a fund. It is currently being investigated by the finance division. Having such a fund could further differentiate the finance division from a multitude of other schools.
- **Angel Fund.** The Cutler Center worked closely with Trustee and Cutler Center board member Dave Lamere and alumnus Steve Ashekian to research the possibility of working with Babson to

start an **Angel Investment Fund**, along the lines of the Baylor Angel Network. Mark D'Annolfo worked closely with Mr. Lamere and Mr. Ashekian, identified a student and funded his research and report on how other college angel funds operate, the challenges and benefits and the like. The report was presented to President Len Schlesinger to consider the possibility of working together. Given the time commitment it required, it was put on hold for the moment. At some point, it may make sense to pursue. Among other things, a finance/investments MCFE, finance class or BCF-like course could be created for students interested in the VC/PE area.

There are only a handful of colleges that have such an angel fund. Hence, like a potential BCF for fixed income, this could be a **real differentiator for the finance division and College**.

Student Experience

Student finance organizations offer Babson students the opportunity to expand and deepen their knowledge of the finance world. The Cutler Center currently has five (active) student groups under its umbrella. Of these, the Babson Investment Management Association (BIMA) and the Babson Corporate Finance Association (BCFA) have been the most active. Mark D'Annolfo is the BIMA faculty advisor, and Kathy Hevert and Richard Bliss are the BCFA faculty advisors. In addition to receiving funding from the Cutler Center, these organizations benefit from working closely with finance faculty advisors.

- **BIMA:** BIMA is an organization for students interested in careers in investments. In 2010-2011, there were seven student officers. There is at least one strong candidate who indicated an interest in being the next BIMA president, which is a key position.
 - The group hosted 14 speakers throughout the year through its Thursday Speaker Series. Each event was well attended by approximately 40 students.
 - BIMA, in partnership with the Cutler Center, helped plan and execute the Fourth Annual Cutler Center BIMA Conference on March 25, 2011. Thirteen speakers and panelists presented to approximately 150 practitioners, students, faculty and staff in attendance. The feedback was overwhelmingly positive.

Julie Bentley completed a **BIMA handbook of best practices** so that each new group of students does not have to reinvent the wheel. In conjunction with the faculty advisor, BIMA also created a **new mission statement**.

We are targeting more undergraduate involvement in the upcoming year. Preliminary planning for both the Speaker Series and Fifth Annual Cutler Center BIMA conference is underway. The next conference is planned for March 30, 2012 and Babson **President Len Schlesinger** has once again agreed to be the introductory keynote speaker.

- **BCFA:** With the advent of the graduate finance concentrations, we made the decision in this academic year to replace the Finance Immersion Group (FIP) with an “open” student organization more aligned with the new corporate finance concentration. The Cutler Center incubated the organization, recruited prospective officers and helped create a mission statement for the new Babson Corporate Finance Association. Student leaders were elected and the group hosted three events, with 12 speakers this year.

Other Student Experience and Education Support includes:

- **The Rotman Trading Competition** is supported by the Cutler Center through funding and technology resources. Ryan Davies advised a team of Babson undergraduates competing at the 2011 Rotman International Trading Competition, held at the University of Toronto. Babson placed 20th overall out of 50 international universities. The top three teams were MIT, University of Chicago, and Baruch College. This was Babson's fifth year competing at the competition. Historically, Babson placed second in 2007, seventh in 2008, first in 2009, and second in 2010.
- Through the efforts of Cutler Center board member Catherine White, a half dozen Babson finance students (screened and accompanied by the Cutler Center director) were invited to participate in an invitation-only student lunch, networking dinner, and multiple other events and programs at the **Schwab IMPACT 2010 (investments) Conference** in Boston. Less than a dozen colleges and universities around the country were invited to participate in the program and a Babson College/Cutler Center banner was displayed at the event.
- Students have access to **multiple Cutler Center resources**, such as a **Bloomberg Certification Program** and **CFA study materials** to enhance their education outside the classroom and to further differentiate themselves in a competitive marketplace.
- Finally, the Cutler Center works directly with select students on **mentoring, counseling, and networking**, from the time they start the program to when they obtain a job. As one student described it in an e-mail:

“Thank you for all your help and support in my job search. I am grateful for the roots and friendships from Babson. It’s a special place. I will absolutely keep in touch and you can count on me for any alumni assistance if you ever want it...I appreciate all that you do.”

Faculty and Research

The Cutler Center supports, through funding and management resources, the Faculty Seminar Series, and the faculty uses technology resources for classes and research. Professor Michael Goldstein has assumed responsibility for this area.

The **Faculty Seminar Series** not only keeps Babson's finance faculty current on cutting edge research being conducted by faculty at other peer institutions, but also exposes the faculty to Babson's campus, the Cutler Center, and the finance faculty. Speakers over the last year have included:

- *Jeffrey Coles*, Arizona State University, "The Joint Determinants of Managerial Ownership, Board Independence, and Firm Performance";
- *Robert Battalio*, Notre Dame University, "Who, if Anyone, Reacts to Accrual Information?";
- *Christian Lundblad*, The University of North Carolina at Chapel Hill, "Asset Fire Sales and Purchases and the International Transmission of Financial Shocks";
- *Eric Jacquier*, MIT, "The information content of realized volatility";
- *Elivira Sojli and Wing Wah Tham*, Rotterdam School of Management at Erasmus University (Netherlands), "Tapping Hidden Liquidity: Flash Orders at the NASDAQ";
- *Daniel Bergstresser*, Harvard Business School, "Financial guarantors and the 2007-2009 credit crisis."

We also note that when speakers present at Babson, they **typically spend the day with Babson finance faculty** and often go to dinner as well. This often results in long term relationships with these faculty members and their institutions.

The Cutler Center has received some **very good press and visibility from Michael Goldstein** speaking at a large number of industry events, particularly in the area of high frequency trading. See Addendum C for a list of Professor Goldstein's speaking engagements.

An **alumni outreach program has been established**, enabling faculty to meet with alumni when traveling to various locations.

In the coming year, **several initiatives under consideration** include:

- A **faculty research conference**. This could be a research conference hosted by the Babson faculty or could be one where the Cutler Center takes over the sponsorship of an existing, high-profile research conference.
- Hiring a **doctoral student Research Assistant** with specialized statistical analysis skills to assist in faculty research (search underway).
- A **Cutler Center Working Paper Series** would highlight new research by Babson faculty and **provide more exposure for the Cutler Center**.

- A **Cutler Center Fellows** program will allow faculty, both finance faculty and eventually targeted faculty in other departments at Babson, whose research interests and activities are related to the mission of the Cutler Center, to affiliate with the Cutler Center. A proposal is currently being written.

Technology/Curriculum Support

The Cutler Center currently spends **almost 30% of its budget on technology resources** for research and curriculum support. Funding uses include FactSet, Rotman, RISE ticker and the dozen Bloomberg terminals. **This supports both student learning and research/thought-leadership.** Classes are also taught in the physical Cutler Center in the Horn Library, and many of these resources can be accessed remotely. Babson alumni are also provided access to Cutler Center technology resources, which is unique among many centers. See Addendum D for examples of how the Cutler Center resources are integrated into the finance curriculum.

Activities are coordinated with Jack Cahill, Manager, Cutler Center Research and Instructional Services, at the Horn Library.

Conclusion

We believe the Cutler Center has the opportunity to be recognized as one of the premier academic centers in the country, and to assist the finance division in achieving top business school ranking.



Jack Cahill at the Fourth Annual Cutler Center BIMA Conference on March 25, 2011 at Babson College

Addendum A: *Wall Street Journal* Advertisement



STEPHEN D. CUTLER
CENTER FOR INVESTMENTS
AND FINANCE

The Stephen D. Cutler Center for Investments and Finance at Babson College is grateful to the following individuals—and the many more we don't have room to thank—for speaking at our Cutler Center investments conferences and our many other events and programs:

Peter A. Brooke

Founder, Chairman, and former CEO
Advent International

Marshall N. Carter

Deputy Chairman, NYSE Euronext,
and retired Chairman and CEO
State Street Corporation

Dr. Karl E. Case

Professor Emeritus, Wellesley
College, and developer of the
S&P/Case–Shiller Index

Stephen D. Cutler M'61

President and Managing Principal,
Essex Investment Management
Company, LLC

Thomas E. Faust

Chairman, CEO, and President
Eaton Vance Investment Managers

Daniel J. Fuss

Vice Chairman and Portfolio
Manager, Loomis Sayles & Company

Bruce T. Herring '87

CIO, Fidelity Management
& Research Company

Ben Inker

Head of Asset Allocation, GMO, LLC

Brian C. Kelly M'95

Founder, CEO, and President
Kanundrum Capital, and frequent
CNBC contributor

Carleton F. Kilmer M'69, P'09

retired Partner, Accenture

Seth Klarman

Founder and President, Baupost Group

Deborah Foye Kuenstner

CIO, Wellesley College

David F. Lamere '82

former Vice Chairman, BNY
Mellon, and CEO, BNY Mellon
Wealth Management

Dr. Andrew W. Lo

Professor, MIT Sloan School
of Management, and Chairman,
Chief Investment Strategist,
AlphaSimplex Group

Harry M. Markopolos

Madoff scandal whistleblower
and author

Dr. Erik R. Sirri

Professor, Babson College,
and former Director, SEC Division
of Trading and Markets

James F. Spencer '73

Senior Vice President and CIO
Cambridge Trust Company

David H. Thompson M'71

Managing Director of Fixed Income
Management, Highmount Capital

Jurrien Timmer '85

Director of Global Macro and
Portfolio Manager, Fidelity
Management & Research Company

Catherine Friend White M'86

Founder and President, FinArc, LLC

**BABSON COLLEGE RANKED #2
IN THE U.S. IN FINANCIAL MANAGEMENT**

by *Bloomberg Businessweek* among undergraduate business schools.

Learn more at [HTTP://CUTLER.BABSON.EDU](http://cutler.babson.edu)

Addendum B: Cutler Center Events, 2010-2011

Date	Speaker	Topic	Collaboration	Location & Time	Number of Attendees
6/2/10	Professor James Hoopes, Babson College	Ethics	CFO Roundtable	Olin Auditorium, Babson 8-10 a.m.	80+
6/10/10	David Lamere '82, former Vice Chairman, BNY Mellon and CEO, BNY Mellon Wealth Management	The View Forward: Wealth Management in a New Era	Alumni	Harvard Club, Boston 7:30-9 a.m.	95
9/8/10	CFO Roundtable/Foley Hoag	Law School for the CFO Conference	CFO Roundtable	Olin Auditorium, Babson 8-11 a.m.	200 +
9/16/10	Parker Gallagher, Financial Management Specialist, US Department of State	Technical Analysis	D. Harrington & BIMA	Olin 102, Babson 5-6:20 p.m.	60
9/30/10	Jurrien Timmer '85, Director of Global Macro and Portfolio Manager, Fidelity Investments	Market Outlook	D. Harrington & BIMA	Olin 102, Babson 5-6 p.m.	80
10/6/10	Bruce Herring '87, CIO, Fidelity Investments	Research & Portfolio Management in a Dynamic Market	BSAS	Harvard Club, Boston 5-6:30 p.m.	114
10/21/10	Babson Professors Neal Harris, Stephen Deets and Frederic Chartier	The European Debt Crisis & Its Impact on the Global economy	Alumni	Reynolds 241, Babson 7:30-9:30 a.m.	43
11/ 3/10	<i>VC/PE Panel:</i> <u>Larry Begley '92</u> , Co-Founder and Managing Director, .406 Ventures <u>Jean Hammond</u> , Entrepreneur and Investor, Golden Seeds <u>Bill LaPoint</u> , Partner, Halpern, Denny & Co. <u>Tim McMahon M'83</u> , Managing Director, Covington Associates Moderator: <u>Professor Richard Bliss</u>	Raising Capital in Today's Economy: A Conversation Among Investment Professionals	Blank Center	Needham/Wellesley Room, Babson 5-6:30 p.m.	87

Date	Speaker	Topic	Collaboration	Location & Time	Number of Attendees
11/18/10	Neil Smith M'02, Founder, Equity Metrics	Valuation	Alumni	Harvard Club, Boston 7:30-9 a.m.	41
2/9/11	Dan Fuss, CFA, CIC, Vice Chairman, Loomis Sayles & Company	Bond Market Outlook	Alumni	Harvard Club, Boston 7:30-9 a.m.	100
2/16/11	<i>Real Estate Panel:</i> <u>Frederic Chartier</u> , Economics Professor, Babson College <u>Gregory Dungan</u> , Managing Partner and SVP, HHCP <u>David Brillembourg '93</u> , Chairman and CEO, Brilla Group <u>Sal A. Haider</u> , SVP, Mixed Use, Majid Al Futtaim Properties <u>Peter Walichnowski</u> , CEO, Majid Al Futtaim Properties	Dubai After the High: What Happened and What's Next in Dubai	Alumni	Babson/Miami/ Dubai Webinar Needham/ Wellesley Room, Babson 7:30-9:30 a.m.	97
3/1/11	Ed Hyman, Chairman & Founder, ISI Group	25th Annual BSAS Market Outlook Dinner	BSAS	InterContinental Boston 5:30 p.m.	300+
3/10/11	<i>Boston Business Breakfast Forum:</i> <u>Steve Feinstein</u> , Associate Professor of Finance, Babson College <u>David Hanna</u> , SVP and Director of Alternative Investments, Boston Advisors <u>Mark Singer</u> , CFP President, Safe Harbor Retirement Planning <u>Mark Wetzel</u> , President, Fiduciary Investment Advisors, LLC	Tactical Asset Allocation: Latest Fad or Essential Investment?	Alumni	Harvard Club, Boston 7:30-9 a.m.	58

Date	Speaker	Topic	Collaboration	Location & Time	Number of Attendees
3/25/11	Cutler Center BIMA Conference <i>Keynotes:</i> <u>Len Schlesinger</u> , President of Babson College <u>Andrew Lo</u> , Professor of Finance, MIT Sloan School of Management <u>Ben Inker</u> , Head of Asset Allocation, GMO	The Global Outlook and Investment Strategies	BIMA	Olin Hall, Babson 8:30 a.m.-4:30 p.m.	150
4/7/11	<i>HFT Panel:</i> <u>Ben Marsh</u> , Managing Director, BTIG <u>Christopher Rice</u> , Senior Managing Director and Global Head of Trading, State Street Global Advisors Moderator: Professor <u>Michael Goldstein</u> , Babson College, and Faculty Director, Cutler Center	No Limits: Computers, Algorithms, and the Speed of Trading	Alumni	Babson Webinar Olin Hall, Room 120 7:30-9:30 a.m.	66

Addendum C: Professor Goldstein's Speaking Engagements

Below is a partial listing of Professor Michael Goldstein's speaking engagements where it was promoted that he is the Faculty Director of the Cutler Center. This has provided the Cutler Center with additional exposure within both the academic and practitioner community.

June 2010

Chaired a session, presented his paper on the trading of new corporate bond issues, and discussed a paper at the [INFINITI Conference on International Finance at Trinity College \(Dublin\)](#). Promoted the Cutler Center on his slide deck.

October 2010

Presented on High Frequency Trading in NYC as the Faculty Director of the Cutler Center to about 50 industry professionals at a dinner hosted by an industry participant.

Attended the Board of Directors meeting of the Eastern Finance Association as a member of the board. He also attended the Financial Management Association annual meeting. Both were in part as a Faculty Director of the Cutler Center.

November 2010

Attended the FINRA Economic Advisory Committee meeting, in part as the Faculty Director of the Cutler Center.

Presented his trading in new corporate bonds research at the Bank of International Settlements in Basel, Switzerland, in part as Faculty Director of the Cutler Center.

Attended the FINRA Academic Roundtable, in part as the Faculty Director of the Cutler Center.

December 2010

Featured speaker at the [HFT World Conference in NYC](#). Faculty Director of the Cutler Center was prominently listed.

March 2011

Moderated a panel and was a participant in a panel as part of the [BTIG Global Exchange Forum](#). Faculty Director of the Cutler Center was prominently mentioned.

Presented on High Frequency Trading in Chicago as the Faculty Director of the Cutler Center to about 30 industry professionals.

April 2011

Moderated a panel on [High Frequency Trading at the 14th Annual Security Trader's Association Congressional Meeting](#), representing the Cutler Center.

Addendum D: Cutler Center Resources and the Curriculum

The Cutler Center is distinct in its role as a laboratory, providing an enriched student experience for research, teaching, and learning about global investments and finance. Unlike other colleges' "trading rooms" which are usually traditional classrooms, the Cutler Center provides a multi-use facility which supports the student experience both inside and outside of class. While the emphasis on using Cutler Center resources as a lab for completing assignments and projects is still in process, we have been successful in using the Center's space as a classroom for both the MBA and undergraduate **Fixed Income** classes taught by Professor Ryan Davies. Due to class size and the availability of a dozen Bloomberg terminals, the Center is an ideal location, providing a dynamic and engaged class environment which supports Professor Davies' teaching style and interactive curriculum.

In our other classes, we use a combination of "hands-on" and dedicated training materials about Cutler Center resources which are supported by custom instructional videos, for completing assignments and projects. These have been successful across all of the finance offerings, especially in the following:

- FactSet and Morningstar for portfolio screening, optimization, and attribution which support Babson's undergraduate **Investments** courses;
- Bloomberg terminals for interest rate and equity options valuation and analysis in **Options and Futures** course;
- WRDS and CRSP programs for calculating stock price beta for the **Corporate Financial Management** course;
- Capital IQ for researching and recommending REIT's in the **Real Estate Investment** course;
- Morningstar Direct for researching, testing, and creating multi-asset client portfolios in the graduate **Managing Portfolios** course;
- Rotman Interactive Trader for the **2nd Annual Campus Trading Competition** and the **Rotman Trading Competition** in Toronto;
- All these tools and resources are used to manage the **Babson College Fund**, utilizing fundamental, technical, economic, and quantitative applications to help meet endowment goals, improve security selection, and enhance portfolio performance.

In addition, we have designated two afternoons each week during the semester for "FactSet Thursdays" and "Bloomberg Fridays" to encourage students at all level to establish baseline or advanced skills in both of these essential market data tools.

Addendum E: Cutler Center Leadership Team and Contact Information

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