

Auction failed to attract bids; art prices tumbled 50 percent and the market evaporated. The price of gold reached a peak of 665 in September 1980; in January 1981 it was at 505; in March 1982 it had fallen to 320. The stock market plunged from a peak of 2650 in October 1987 to 1770 two months later. In Japan, the stockmarket collapsed from a peak of 39,000 in December 1989 to 21,000 in September 1990. And Russia defaulted on \$2.5 billion of debt in August 1998, just two months after borrowing it.

What does this mean as a practical matter? Anyone who anticipates needing refinancing should do it sooner rather than later. Those who wish to liquidate some of their concentrated stock holdings should act now, to protect their future lifestyles. Corporate strategies that are based on a fast burn rate of cash, and that plan to get new money to reliquify, should modify these plans to slow the burn rate in case refinancing is not easily available. And those who need refinancing should cultivate venture capital sources in Europe, where economic growth and an appetite for U.S. venture opportunities should provide a fertile alternative to a more subdued U.S. market.

Now I would like to turn from these dry ruminations on the economy to more value-oriented thoughts on building a business, based on my personal experiences as an entrepreneur. Creating an enterprise for nothing should be a reflection of your own values, fears, experiences, intellectual insights, and sense of what is important—because you, as the entrepreneur, must feel comfortable with running it. There is no single formula, but certain observations might prove applicable to your own situation.

Professor Bhide wrote in *Harvard Business Review*: "Several principles are basic for successful start-ups: get operational fast \* \* \* [and] don't try to hire the crack team. \* \* \* These precepts are not supported by my own experience. The professor's recommendations place a huge premium on the exclusivity and value of an idea, and the notion that others could beat you out if you delay. These beliefs are responsible for a large number of helterskelter business-launches-as-preemptive-strikes, premature introductions that fail due to poor product quality, weak delivery systems, inadequate customer support, or inadequate internal financial controls.

Every shoe-shine man will freely share his ideas with you. However, what counts is the implementation of an idea by a quality team of people. My products were carefully crafted and tested over two years, altered and risk-adjusted through examining results. A crack team was put together, with the first hire being Salomon's top accountant—because I wanted to know the limits of my dream before I acted beyond my resources, capacity, or risk profile.

Simply to the point: was it Prodigy's innovations, or Lotus's being first in the market, that won the software battle? Or was it Microsoft's better preparation for meeting and servicing customers' needs that won the day? You generally have one shot at the marketplace. And credibility depends on predictability. Make sure everything is carefully prepared in depth, no matter how long it takes, so that the product and its supports work as promised. Getting started is not the goal; permanency is!

Building many products and applications can be exciting in concept, but it is difficult in terms of financial and physical resources. I build my products narrowly and very deeply, so that we could equal any competitor in a specialty area. Editing out the many other opportunities is vital for concentrating resources and talent on the very few things that you can do best. Choose your product, refine it, and continuously monitor it based

on experience. I chose specialty products that did not require muscularity of distribution, capital, and related support inputs, all of which favor existing large corporations. By developing a few intellectually rich products at the beginning, we weren't forced to compete head-on with the big boys, and therefore we could get profit margins and cash flow that provided fuel for further expansion.

I believe that many Internet retailers go into commodity-oriented businesses in which price is the key determinant, only to find that success means bigger losses and that old, dominant players can enter internet distribution at will and grab market share. Time is the most precious capital, so a business should only enter growing markets with a superior service or product, where decent profit margins are available over a long period of time.

It was my experience that becoming a brand name quickly is extraordinarily difficult. It requires a long period of exposure and in-depth, sustained advertising. Few newcomers have the necessary financial staying-power, so avoid spending money on ineffectual ads. If your business strategy requires you to promote the product enormously, then maybe it is the wrong product choice. Remember that it is easier for GM or Toys R Us to learn how to use the Internet than for you to gain their brand images. And, conversely, once the speculative fever recedes, why would anyone pay 9 times earnings for Macy's and 1,000 times revenues for a wannabe whose aspiration is to maybe become the Macy's of the Web?

It is also important not to gild the lily technologically. Think of the customer's technical competence and how he will actually use your product. My biggest recent error was listening to a tech analyst who told me not to buy AOL at \$26 a pre-split share, because there were technically superior products. The mix between technology and user friendliness is vital. After all, do you use Betamax or VHS?

In building a business, it is crucial to put emphasis on becoming an institution. I found that it takes two years for a person to feel comfortable in a corporate culture, so it is better to build a team in anticipation of growth than in response to it. Invest early and heavily in support systems, in the areas of client service, electronic information, and financial controls. Let everyone know what is expected of him or her through clear communication, so that employees are moving in the direction of corporate goals. My company has never been star-oriented, in a star-studded industry. Good organization creates a whole that is more than the sum of its parts.

Relationships are key to success, and that means knowing the people in your arena. Biotech executives should know the important people in the FDA, the universities, and the pharmaceutical companies. And relationships should be maintained for the long term. Remember, credibility equals predictability; long relationships allow people to judge you based on past interactions. It's too late if you only meet people when you need them.

Personnel turnover is a significant problem today. The mantra everywhere is stock options, the chance to get rich quick. This leads to high turnover if a company has actual or perceived problems, or, on the other hand, if it is too successful and young people get rich quick. In my company, which is family owned, we have low turnover. We build loyalty in three important ways. First, all employees share in profits; we have a flatter compensation scheme than many technology companies. Second, there is justice in allocating rewards over long periods

of time. Our people know that we have permanency; we give them a long-term horizon, with expectation of growing rewards over time.

Third, our people feel safe. There are no politics, few layoffs, and no acting out; people check their egos at the door. We breed loyalty through civility. People are trained and moved around the company to keep the interest level high, and promotions are made internally. The culture is kept strong by outsourcing and a small number of hires. And finally, there is a single decision-maker; everyone has input, but I make the final decision based on careful research and many individual inputs. There is no ranting or screaming by anyone; instead, there is a free flow of ideas, tentative acceptance, and thorough investigations, so that all communication moves back and forth.

A great business idea, or a great scientific idea, does not just come about through hard work and incremental advances. It is more like poetry. It is about having the imagination and heart to strike out on a path that others didn't dare to follow, or didn't see in its entirety. Implementation, management skills, and the ability to anticipate customer needs are built on a knowledge of how human beings react. These types of imagination and understanding are more likely to come from wellness than from frenzy. I don't subscribe to the continuous-all-nighters, no-personal-life recipe for success. For a super-successful entrepreneur, having broad horizon—through reading fiction and biography, appreciating art, and interacting socially with a variety of people—is more important than working yet another Sunday.

But there is more at stake than business success. You want to be a happy person, a good father, a community builder. I find that I can only eat one tuna-fish sandwich at lunch, no matter how many millions I have earned. Money can give you time, and how you spend that time is key. And wise expenditure of personal time on human development can also help you make money, because knowledge, experience, and wisdom are usually the key to the "poetic" business idea.

Young people are leaving college to make quick money, like a gold rush. But life is about more than money or success or technical achievement. It is critical that people see the world in vibrant colors and in multiple shades. To raise children, face the death of parents, appreciate beauty, even make love well, people need emotional and intellectual depth. These come from being exposed to the collective experience of civilization, which is transmitted through books and a liberal education.

In the scheme of your success, it will not make a difference if you leave school two years early; but it could alter your life greatly. Absorb the intangibles, not just because they will give you the imagination to come up with "poetic" business ideas to help you deal with customers, but also because they will give meaning to the life you lead, whether you succeed materially or not. After all, living life well, in all its dimensions, is what it's all about.●

#### IN APPRECIATION OF GENERAL TERRENCE DAKE'S SERVICE

● Mr. BOND. Mr. President, it is my great honor to rise today to pay tribute to a fellow Missourian who has served our Nation honorably for more than three decades in war and peace. In October, General Terrence Dake, Assistant Commandant of the Marine Corps,

will retire after more than 34 years of service as a Marine.

A native of Rocky Comfort in the Missouri Ozarks, General Dake earned undergraduate degrees from the College of the Ozarks and the University of Arkansas. From there he proceeded to Marine Corps Officer Candidate School in Quantico, VA. He was commissioned a Second Lieutenant upon graduation from OCS in October 1966. With the echoes of conflict in South East Asia sounding here at home, Second Lieutenant Dake reported directly to aviator training in Pensacola, Florida. He received his wings designating him a Naval Aviator on the 25th of January, 1968. He was tested in combat when he reported to South East Asia and piloted CH-53A Sea Stallion helicopters in Vietnam. Lieutenant Dake earned numerous awards while accumulating over 6,000 flight hours in military aircraft. Highlights of his extensive aviation experience include service as the President's helicopter pilot and as the Commanding Officer of Marine Helicopter Squadron One.

General Dake's distinguished career has been accompanied with a rise through the ranks, including service as the Director of Training and Doctrine with the Commander-in-Chief of the U.S. Atlantic Command and as Assistant Chief of Staff of Operations for the 3rd Marine Aircraft Wing during Operation Desert Shield/Storm. It is significant to note that this was the largest aircraft wing ever fielded in combat by the Marine Corps.

General Dake was promoted to Brigadier General in March, 1992. His assignments as a General Officer included service as Assistant Deputy Chief of Staff of Aviation; Inspector General of the Marine Corps; Deputy Commanding General, Marine Corps Combat Development Command; Commanding General, 3rd Marine Aircraft Wing; and Deputy Chief of Staff for Aviation. During his time as Deputy Chief of Staff for Aviation the Marine Corps embarked on its historic aviation campaign plan which has manifested itself in the development of the V-22 Osprey and the Joint Strike Fighter.

General Dake assumed his present position as the Assistant Commandant of the Marine Corps on September 5, 1998. For his service as the Assistant Commandant, General Dake was awarded the Distinguished Service Medal. General Dake also earned the "Silver Hawk Award." Presented by the Marine Corps Aviation Association, the Silver Hawk Award is given to the active-duty Marine Aviator with the most senior date of designation.

Not all of General Dake's achievements took place in aircraft or in command of major units. General Dake's commitment to his troops was evidenced in his efforts in tackling two of the most difficult issues facing the Department of Defense today: health care and readiness. As a member of the Defense Medical and Senior Readiness Oversight Committees, General Dake

worked to improve readiness and ensure that the entire military family—active, reserve, and retiree—were provided quality health care.

Any tribute to General Dake would be inadequate without recognizing the contributions of his wife and family. As with so many of our fine members of the Armed Services, his career would not be what it is today were it not for their steadfast support throughout the years. Mrs. Dake is a recipient of the Distinguished Public Service Award, presented for her superior public service in support of uniformed personnel and their families. As we pay tribute to him today we also commend and honor her for her commitment and perseverance on behalf of Marines "in every place and clime."

I also recognize the other members of General Dake's family. The Dakes have two children, a daughter, Jana, and son, Joshua. Jana is married to Captain Ken Karika, USMC, and is the mother of the Dake's grandchild, Jack. They too have taken part in the sacrifice required to be a military family and deserve our gratitude.

The Marine Corps often states that there are no ex-Marines, only Marines who are no longer actively serving. It is comforting to know that General Dake will continue to serve our nation and set an example for others to follow long into the future.

As General and Mrs. Dake move from the active duty community to the retired community, it is appropriate that this body stop and honor a man and his family who made countless sacrifices for duty, honor, country.●

#### IN MEMORY OF MONSIGNOR HENRY J. DZIADOSZ

● Mr. DODD. Mr. President, I rise today to pay tribute to the late Monsignor Henry J. Dziadosz, J.C.D., a beloved friend and respected clergyman. Monsignor Henry was a priest for fifty-one years, including twenty-nine years as pastor at St. Bridget of Kildare Parish, my home church in Moodus, Connecticut. He made numerous sacrifices for his community and strove throughout his clerical life to instill a spirit of caring in the lives of his parishioners. At Monsignor Henry's retirement party several years ago, he stated, "When I first came here, I told them that the family spirit was my goal. No one should have to cry alone and no one should ever laugh alone. In all the accomplishments, it is the creation of this spirit that I am most proud of." Everyone who knows this remarkable man would agree that his devotion to his parishioners has made a lasting impact on the lives he has touched.

Monsignor Henry was destined to the priesthood from his early years. He attended St. Stanislaus School as a young boy, graduated from Meriden High School, and enrolled in the St. Thomas Seminary, where he earned his associate's degree in philosophy. He continued his theological studies at

Catholic University of America in Washington, D.C., and was awarded the Basselin Scholarship. On May 26, 1949, then Father-Henry was ordained to the Priesthood in St. Joseph Cathedral in Hartford and accepted an assignment as Assistant Pastor of the St. Joseph Parish in Norwich. Father Henry then moved to New London's Our Lady of Perpetual Help Parish before returning to continue his studies at the Catholic University of America. It was his profoundly inquisitive nature and genuine thirst for knowledge that caused Father Henry to pursue a doctoral degree in 1955. He earned his degree in Canon Law, and was subsequently assigned to the Diocesan Chancery in Norwich, where he served as assistant to the chief judge of the Diocesan Tribunal and as the assistant chancellor. Always a bright student and quick study, Father Henry was soon appointed Officialis, or Chief Judge, of the tribunal, and administrator of St. John's Mission in Fitchville. Father's Henry energy, compassion and achievement drew notice from the highest levels of the Church and in 1965 Pope Paul VI named him a prelate of honor and awarded him the title of Monsignor.

Monsignor Henry first arrived at St. Bridget in 1969, and dedicated the next twenty-nine years of his life to the service of the parish. St. Bridget's landscape bears witness to the many tangible accomplishments Monsignor Henry has achieved, including the Lady of Lourdes Grotto, the Religious Education Center, the Bicentennial Pavilion, the Stained Glass Doors, the Skylights, the beautification of the church grounds, and numerous other improvements. In honor of his dedication and commitment to St. Bridget, the education center, which he was instrumental in founding, will henceforth be called the Monsignor Henry J. Dziadosz Religious Education Center.

At the Parish Mass for Monsignor Henry, Father Marek Masnicki described a priest's duties, and expressed how Monsignor Henry was the epitome of what every priest strives to be. "A priest is called to respond to the poor and the broken and in this he touches the face of Jesus Christ. We expect a great deal from our priests, and priests expect a great deal from themselves. The priest makes sacrifices on behalf of the community. He offers his humanity and that of the community to Christ until he comes again. Priests take their cue from Jesus Christ each day. All this can apply to the fifty-one years of the priestly ministry of Monsignor Dziadosz."

Monsignor Henry was my pastor for a number of years. And while he was an accomplished man, a man whose priestly accomplishments were recognized by the Pope, it was his compassion and humanity that made him a truly remarkable shepherd for his flock, a flock of which I feel deeply fortunate to have been a part.

There isn't a doctorate for ministering day in and day out to the spiritual needs of a community. There isn't