BABSON

THE STEPHEN D. CUTLER CENTER FOR INVESTMENTS AND FINANCE

ANNUAL REPORT 2018-19

OUR MISSION

The Stephen D. Cutler Center for Investments and Finance is dedicated to advancing finance education and improving the marketability of Babson students. We provide programs and cutting-edge resources that enrich the student learning experience, support faculty research, and engage our alumni community. We're 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.

CONNECT WITH US:

@BabsonFinance | BabsonFinance | BabsonFinance | Babson Finance Affinity Group | babson.edu/cutlercenter

> "The Cutler Center exemplifies Babson's real-world approach to education and its commitment to innovative research, state-of-the art resources, and programs that uniquely prepare students for careers in investments and finance."
>
> — **Bruce Herring, CFA '87, MP '19**, Former President, Strategic Advisers, Asset Management Division, Fidelity Investments

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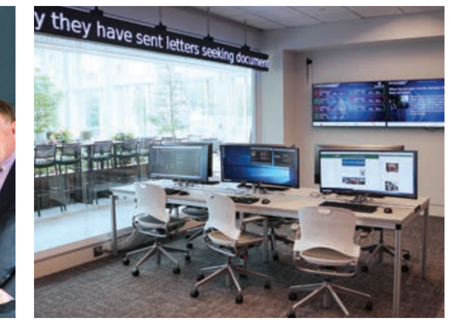





CFA Institute
University Affiliation Program

The Cutler Center was founded in 2000 with a generous gift from Stephen D. Cutler MBA '61 and his wife, Alice. Thanks to their continued generosity and the support of many additional alumni, parents, and friends, the Cutler Center advances finance education and improves the skill set and marketability of Babson students.

LEADERSHIP

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> **"The Cutler Center is a critical component of student's education in finance and investments, giving them the tools to hit the ground running when they enter the workforce."**
>
> — **James Spencer, CFA '73,** Former SVP & Chief Investment Officer, Cambridge Trust Company

ADVISORY BOARD

Our leadership team benefits from the support of our advisory board, which includes:

- **John Bailer, CFA '92 (Vice Chair)**, Senior Portfolio Manager for U.S. Dividend Portfolios, Mellon
- **Brian Barefoot '66 H '09 MP '01**, Senior Advisor, Carl Marks Advisors
- **Dan Brennan '87 MBA '89**, Executive Vice President and CFO, Boston Scientific
- **Chris Chandor MBA '98**, Senior Vice President of Development & Asset Management,The Davis Companies
- **Karen Chandor MBA '74**, Principal, Mercer
- **Eric Crawley MBA '09**, VP Investment Strategist, U.S. Trust
- **Stephen Cutler, CFA MBA '61**, President, Portfolio Manager & Managing Principal, Essex Investment Management Company
- **Chip Dickson, CFA '74, MBA '76**, Co-Founder, DISCERN
- **Bruce Herring, CFA '87, MP '19**, Former President, Strategic Advisers, Asset Management Division, Fidelity Investments
- **Rich Katz '91**, President, Rodeo Capital
- **Harold Kotler, CFA '65**, Partner, CEO, CIO, Gannett, Welsh & Kotler (GW&K Investment Management)
- **Jeff Mortimer, CFA '86**, Director, Investment Strategy, BNY Mellon Wealth Management
- **Jason Orlosky '04**, Director of Thematic Strategies, Stifel
- **Annabelle Reid MBA '86 (Chair)**, Managing Partner, FoxMoor Capital
- **Harison Sidhu MBA '10**, Head of Manager Selection and Due Diligence, Fiduciary Trust
- **James Spencer, CFA '73**, Former SVP & Chief Investment Officer, Cambridge Trust Company
- **Sandy Sperou '01**, Hotel and Real Estate Investor
- **Rick Spillane, CFA**, Director, Eaton Vance Management
- **Joseph Spinelli '98**, Trader, Millennium Management
- **Jim Taylor '86**, Senior Vice President, Wealth Management, UBS
- **David Thompson, CFA MBA '71**, Managing Director, Brown Advisory
- **Jurrien Timmer '85**, Director of Global Macro, Fidelity Investments
- **Catherine Friend White MBA '86**, Managing Director, Golden Seeds
- **Mark Williams MBA '04**, Partner, Cape Horn Coffees, Inc.

STATE OF THE ART FINANCE LAB

The Cutler Center was originally envisioned as a research center back in 2000, which is why it was located in the Horn Library. Today, nearly one-third of Babson students pursue a degree in finance. With the increased demands on the Cutler Center, a larger space was required for teaching graduate, undergraduate, and executive education courses. In June 2019, we opened a new, expanded center in the Babson Commons.

Our lab offers a wide array of analytical tools:

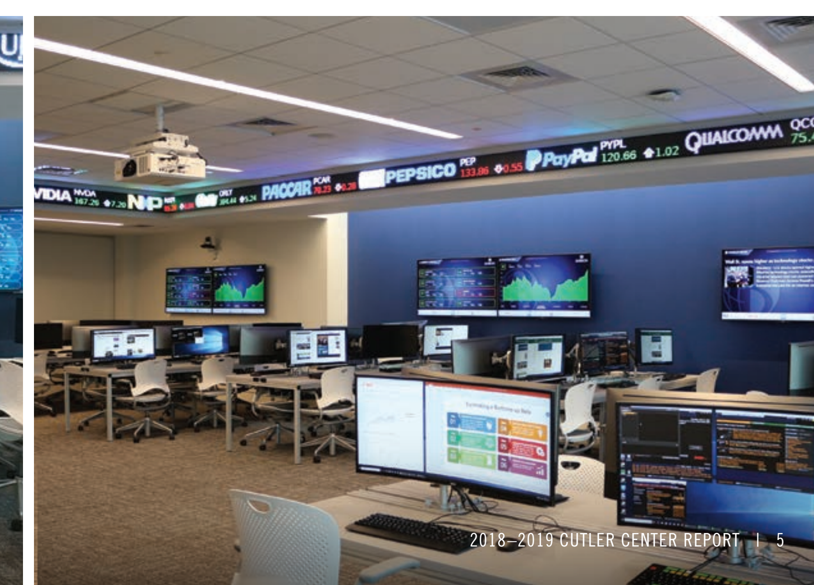
- Bloomberg
- FactSet
- S&P Capital IQ
- Thomson Reuters Eikon
- Rotman Interactive Trader
- ARGUS Commercial Real Estate

A World Class Finance Lab

The new finance lab sits at the heart of campus and has 42 workstations equipped with Bloomberg, FactSet, and other tools used by industry professionals. The new state-of-the-art facility will provide Babson students with unique opportunities to learn and lead through signature learning experiences designed to prepare them for successful careers in financial services and a variety of thought leadership events that bring some of the brightest minds in finance to campus.

Through course integration and exclusive workshops, the new center will profoundly change the educational experience for our finance students. It will also allow our application-oriented faculty from other disciplines to integrate the Cutler Center resources into the courses they teach.

> **"The Cutler Center is designed to enrich the educational experience for our students, support faculty research and teaching, and enhance the reputation of the College."**
>
> — **Patrick Gregory, CFA**, Managing Director, Cutler Center



EXPERIENTIAL LEARNING

We provide Babson students with unique, hands-on opportunities to build valuable skills, lead outside the classroom, and work toward professional designations like the CFA®.

Babson Wins Local CFA Institute Research Challenge

Team Babson won the local CFA Institute Research Challenge! The team of **Rushi Nagalla '19**, **Mitchell Troyanovsky '19**, **Guillermo Vadell '19**, and **Albert Yun '19** was required to analyze a publicly-traded company, write a comprehensive research report, and then present their research to a group of industry judges. The team competed against 10 local colleges and universities including Bentley, Boston University, Northeastern, and Tufts.

The team also traveled to New York City to represent Boston in the Americas Competition as they competed against the best teams in North and South America. Only the top 9% of students competing worldwide made it to the Regionals. While in town, NASDAQ graciously hosted the trio of Rushi, Mitchell and Albert at their Times Square MarketSite. The students had the opportunity to attend the closing bell ceremony, meet with members of NASDAQ's listings team who recently facilitated the IPOs of Lyft and Zoom, and tour the CNBC's Fast Money studio. Babson lost in the semi-finals to the team that won the Americas – Canisius College.

On behalf of the team, the Cutler Center would like to thank **Warren Johnson** and **Dave Wellinghoff MBA '07** for their guidance and support throughout the process.

BEST OVERALL FINISH SINCE 2010, PLACING
9TH
OUT OF 52 TEAMS

The Rotman International Trading Competition (RITC)

RITC is an annual event held in the heart of Canada's financial district that draws over 50 teams of students from universities worldwide to participate in a unique three-day simulated market challenge. Babson has an impressive track record including winning the competition in 2009 and placing second in 2007 and 2010. The 2019 team comprised of **Srivatsa Rajan Swaminathan MBA '19**, **John Regan MSF '19**, **Elena Yang '20**, **Alexander Spinnell '20**, and **Duska Glidden '20** placed ninth out of 52 teams, the best overall finish since 2010.

University of Georgia Terry College of Business Stock Pitch Competition

Vivia Chen '19 and **Sang Hyun Kim '17** traveled to Georgia to compete in the University of Georgia's SMIF Stock Pitch Competition. The duo placed third out of 12 finalists, taking home $1,000 in prize winnings. Judges included analysts, portfolio managers, financial advisors, and CIOs currently working in the finance sector.

Babson College Fund (BCF)

BCF is an accredited two-semester program that allows a select group of undergraduate and graduate students to manage a portion of the Babson College endowment, gaining investment research and portfolio management skills as well as practical experience. Students conduct fundamental and quantitative research, pitch their ideas, and work with a team of experienced money managers to create a diversified, long-short equity portfolio.

This year's BCF participants received job offers from the following firms:

- Credit Suisse
- Piper Jaffray
- Goldman Sachs
- Stephens Inc.
- Lazard
- DWS Group
- Bloomberg LP

THOUGHT LEADERSHIP

The Cutler Center hosts conferences, panel discussions, and presentations that position Babson at the forefront of finance education. As a result, the events have centered on FinTech, ESG Impact Investing, and other growth areas in finance.

Women in Investment Management: Choosing a Career in Investment Management

Now, more than ever, finance needs more women. The Cutler Center hosted CFA Society of Boston, who welcomed an accomplished group of women professionals to campus who spoke about their career choices and investment management experiences. Featured speakers included:

- **Andrea DiCenso**, Vice President, Loomis, Sayles & Company
- **Christina Marcarelli**, **CAIA**, Senior Investment Officer, MA PRIM
- **Catherine McDermott**, Vice President, Portfolio Manager and Senior Analyst, Eaton Vance
- **Katherine Shaw**, **CFA**, Senior Leader, Portfolio Manager, Loomis, Sayles & Company
- **Jeanne Wolf**, **CAE**, Executive Director, CFA Society Boston, Moderator

Babson Sustainability Forum: Embracing the Future's Goals

Kathryn Hersey, CFA MBA '10 returned to campus to participate in the Babson Sustainability Forum where the Cutler Center hosted a discussion on ESG investing. Hersey, senior vice president, senior portfolio manager at Cambridge Trust, was joined by Jess Brooks, chief development officer of Sunwealth. Students and alumni were treated to a discussion on the difference between impact investing and socially responsible investing and how both seek to bring about social change.

Distinguished Speaker Series with Joel Tillinghast

Joel Tillinghast, a revered portfolio manager and thirty-five year veteran of the investments industry, was our Distinguished Speaker this fall. At 31, Joel launched Fidelity's® Low-Priced Stock Fund which now has nearly $40 billion in assets under management. The fund has earned a net annual return of 13.8% over the past 28 years, outperforming the Russell 2000 by 400 basis points. Joel discussed his investment process, what it takes to be a successful investor, and the challenges of finding an edge in today's markets. The event, which was attended by 170 students and alums, was followed by a networking reception with Joel.

Founders Summit: From Entrepreneur to Investor

Cutler Center Advisory Board member **Catherine Friend White MBA '86** joined a panel at the Founders Summit, hosted by the Blank Center. The session focused on making the transition from entrepreneur to investor. White was joined by **Tim Chae '13**, general partner of 500 Startups, and Angelo Santinelli, lecturer on entrepreneurship at Babson College.

FEATURED PARTNERSHIPS

WEEK-LONG EVENT BROUGHT TOGETHER
2,000+
PROFESSIONALS FROM THE FINTECH ECOSYSTEM.

Boston FinTech Week

The Cutler Center hosted multiple panels and workshops at our Boston campus during Boston FinTech Week in September 2018. The week-long event brought together more than 2,000 professionals from the FinTech ecosystem and was capped off with our Future of FinTech panel at GSV Labs.

- **Time-Tested Rules of FinTech Venture Investing**
  One of our fireside chats featured Matt Harris of Bain Capital Ventures in NYC. The sold-out session was held at the Boston campus and moderated by Bloomberg's Janet Wu. During the discussion, Mark commented that his two best Boston-based investments were founded by Babson alums, which was quite a compliment. The session was followed by breakout sessions with 8 venture capitalists.

- **Future of Insurance**
  Another fireside chat featured Mike Fanning, Executive Vice President at MassMutual Financial Group, who discussed the future of insurance. Mass Mutual has been a pioneer in integrating FinTech into the insurance industry. Mike shared MassMutual's innovative approach to dealing with the changing landscape of customer expectations, regulation, and data as part of his discussion. He mentioned that based on their technology platform, they can now underwrite an insurance policy in less than 15 minutes… quite a change for a firm that used to begin the process with a 40-page application.

- **Future of FinTech Panel**
  The capstone for the week was our Future of FinTech Panel at GSV Labs. The panel included executives from Columbia Threadneedle, Silicon Valley Bank, and Putnam Investments. The topics included how financial businesses are changing the way they adapt to technology, collaboration with startups, and opportunities across markets.

CWEL Circles

Hosted by the Center for Women's Entrepreneurial Leadership (CWEL), the Cutler Center partnered on two sessions during the fall semester where featured alums from the finance industry offered insights into their careers, businesses and experience in the industry. The fall semester speakers included:

- **Sumeit Aggarwal, MBA '05,** Personal Finance Literacy Coach and Advocate, Co-Founder, Finhive LLC
- **Catherine Friend White, MBA '86**, Managing Director, Golden Seeds and Founder & Director, FinArc Investments Inc.

Financing the Future

In collaboration with The Lewis Institute, these sessions explore the crucial role of capital in driving social change by asking the following questions: How will we finance our future? What new financing mechanisms are being created? What role do large corporations, NGOs, government agencies, community foundations, family offices, philanthropists and investors play? What's working? What's needed?

Finance Career Panel

In partnership with the Center for Career Development, students were given the opportunity to hear from our panel of Babson alumni who discussed what finance jobs entail on a day-to-day basis, the skills needed to succeed in their respective sectors, and how they broke into these competitive fields. Panelists included:

- **Joel Bonina '11**, Finance Manager, Boston Scientific
- **Kathryn Hersey, CFA MBA '10** , Senior Vice President, Senior Portfolio Manager, Cambridge Trust Company
- **Jancy Yang '09**, Vice President, Institutional Equity Division, Morgan Stanley
- **Sam Thompson MBA '04**, Senior Managing Director, Progress Partners, Inc.
- **John-Paul Vachon MBA '14**, Assistant Vice President, KeyBank Real Estate Capital

FintechWomen's Inaugural Program "Let's Start with Allies"

FintechWomen's inaugural program, *Let's Start with Allies*, featured leaders from Boston's fintech community to participate in an honest and candid discussion on the state of gender diversity, need for allies and as male leaders, what they see as their role in bringing about change. Constance Armstrong chaired the discussion with Dan New, Paul Brassil and Vasilios Roussos. The panelists and guests facilitated an energized breakout session to ideate on practical solutions to enable gender balance in fintech.


Finance Career Panel


Let's Start with Allies


CWEL Circles

TEACHING & RESEARCH SUPPORT

The Cutler Center supports Babson faculty as they pursue vital research, develop intellectually rigorous programs, and deliver engaging lectures.

In 2018, the Cutler Center provided research assistants and data to support the scholarly efforts of faculty such as Associate Professor **Jérôme Taillard**.

Jérôme Taillard, Associate Professor of Finance at Babson College, has received the

Michael J. Brennan Best Paper Award

at the Review of Financial Studies.

Jérôme Taillard

Value Investing with Gary Mishuris, Managing Partner and CIO of Silver Ring Value Partners

Select undergrad and graduate students participated in a semester long seminar series with Gary Mishuris, CFA. Throughout the seminar, Ben Graham's *Security Analysis* was used to discuss the investing philosophies and processes of successful value investors. Students are able to use the insights from the readings to build their own value-investing framework that is internally consistent and suited to their strengths.

Financial Modeling Workshop with Lecturer Spencer Adams

Undergraduate and graduate students were invited to a four-hour workshop on financial modeling that involved a hands on construction of a 3 statement integrated financial model. Spencer Adams has over 20 years' experience as an investment banker and corporate financial executive.

Seminar Speaker Series

The Center also sponsors the **Seminar Speaker Series**, which allows faculty to build relationships in the academic community and exchange ideas with other top researchers. The 2018-29 speakers included:

- **Amber Anand**, Edward Pettinella Professor of Finance at Syracuse University Whitman School of Management, presented his paper "Do buy-side institutions supply liquidity in bond markets? Evidence from mutual funds"
- **Don Bowen**, Visiting Assistant Professor of Finance at Virginia Tech Pamplin School of Business, presented his paper "Technological Disruptiveness and the Evolution of IPOs and Sell-Outs"
- **Xavier Giroud**, Roger F. Murray Associate Professor of Finance at Columbia Business School, presented his paper "Firm's Internal Networks and Local Economic Shocks"
- **John Graham**, D. Richard Mead Jr. Family Professor of Finance at Duke University Fuqua School of Business, presented his paper "Executive Mobility in the United States, 1920 to 2011"

ALUMNI ENGAGEMENT

Center for Career Development Partner

Jancy Yang '09, Executive Director, Institutional Equities, Morgan Stanley

Since graduating in 2009, Jancy has continued to stay involved with Babson College, specifically with her partnership with the Undergraduate Center for Career Development office to help impact finance students. In addition to hosting students as part of the NYC Finance Trek, participating in the NYC Babson Connect, and hosting on-campus coffee chats, Jancy is always willing to connect with students to share career advice to help the future generation

Coach

David Wellinghoff, **CFA MBA '07**, Investment Analyst, Liberty Mutual

As a graduate student who participated in the CFA Institute Research Challenge and won the global challenge, Dave knows theimportance of giving back to students. During this year's competition, Dave served as an Industry Mentor for Team Babson. Dave spent time throughout the year on phone calls and in person meeting with the team and coaching them as they prepared to research and analyze a designated publicly traded company and prepare a written report on that company that supports a buy, sell, or hold recommendation. Because of Dave's mentorship, the team won the local challenge and went on to compete in the Regional competition in New York City.

Classroom Visit

Paul Gordon '00, Investment Officer and Equity Portfolio Manager, MFS Investment Management

In addition to the Cutler Center mentor program, Paul participated as a judge in Professor Glenn Migliozzi's MBA Personal Finance class. Paul judged the students' Capstone Presentations that were either a personal finance situation solution via a comprehensive financial plan or the creation of a financial application. Paul was joined by fellow alumni Peter Wheeler MBA '84 and David Mastroianni '10.

Mentor

Rob Nicewicz '07, Principal, Abry Partners

Rob served as one of more than 20 mentors for the inaugural Cutler Center mentor program that matched undergraduate students with industry professionals. The program ran from February-May 2019 and mentors committed to a minimum of four hours with their mentee during this four-month period. Rob's mentee, Wills Hetzel '22, shared his experience: "Rob was extremely helpful and thoughtful in the advice he provided and I can count on him as a resource as I pursue a concentration in Finance and ultimately a career. Having Rob, a highly experienced professional in Private Equity, as a mentor was a valuable experience and I look forward to connecting back with him in the Fall." Alumni can make a similar impact on Babson finance students by signing up as a mentor for the program's next round, which will run September-December 2019.

Virtual Coach

Joseph Spinelli '98, Trader, Millennium Management

The Babson Trading Team connected with Joe via videoconference as they prepared for the 2019 Rotman International Trading Competition. Joe brought his industry experience to the virtual coaching session and helped the team of five students build their strategy for the competition. He even went out of his way to introduce the team to colleagues who supplemented his recommendations. Joe's advice helped the team place 9th out of 52 teams, the best overall finish since 2010.

BABSON IS A PROUD MEMBER OF THE CFA INSTITUTE'S UNIVERSITY AFFILIATION PROGRAM AND BLOOMBERG'S EXPERIENTIAL LEARNING PARTNER PROGRAM.

CENTER PARTNERSHIPS

CFA Institute University Affiliation Program

Through the CFA Institute University Affiliation Program, students have access to a suite of benefits as they prepare for the CFA Program, including:

- 16 annual scholarships
- Access to the CFA curriculum (Levels I, II, and III)
- Practice Exams (Levels I, II, and III)

Bloomberg Experiential Learning Program

Babson was the inaugural recipient of Bloomberg's Experiential Learning Partner program. The Bloomberg ELP is designed to recognize academic institutions that are leaders in experiential learning through the integration of Bloomberg terminal exercises in their curricula.

Financial Executives International (FEI) Boston

Each month during the academic year, the Cutler Center partners with FEI Boston to bring their Professional Development Series to campus. These events draw an estimated 30-40 senior finance executives to campus each month and provide Babson students, faculty, and staff with an opportunity to connect with corporate finance practitioners.

CFA Institute
University Affiliation Program

Bloomberg
Experiential
Learning Partner

fei
financial executives international
boston chapter

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