

Alumni Newsletter

For and About Alumni

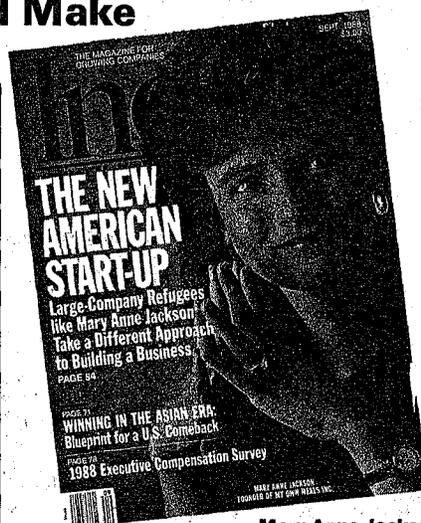
November 1988

Just Like MOM Would Make

Like the character played by Diane Keaton in the movie *Baby Boom*, KPMG Peat Marwick alumna Mary Anne Jackson is a former pinstriper who decided to launch her own enterprise in the children's meals market. Unlike her big-screen counterpart, Jackson started her own company because running an organization, whether her own or someone else's, was her next professional objective.

The opportunity to pursue her objective came in 1986, when Jackson found herself without a job after the leveraged buyout and reorganization of food conglomerate Beatrice Cos., where she spent eight and a half years in financial and strategic planning. Prior to that she worked in KPMG Peat Marwick's Cleveland office (starting in 1975) and earned her CPA and M.B.A. While prospecting job offers and companies to buy, Jackson also considered starting a company—but first had to come up with an idea for one.

She decided on a food-related business and then identified a need for nutritious, "great-tasting," and quick meals for children. Surveys of parents and taste-testing sessions with hundreds of kids revealed nutritional and gourmet preferences. One of those taste testers was Jackson's daughter, then three years old. "I presented her with the most expensive meal of her life—I'd put about \$10,000 of research and development into that feast—and she wouldn't eat it!" says Jackson, who learned to steer clear of anything too exotic or unfamiliar. The meals are contained in a plastic pouch that can be kept without



Mary Anne Jackson

refrigeration for up to a year and are ready to eat after just 90 seconds in the microwave or four minutes of boiling (in the pouch). Thus began My Own Meals Inc. (MOM).

To move the product from concept to market, Jackson and her one employee (her staff has since grown to three) relied on consultants for everything from product development and testing to distribution and advertising (radio spots are playing in the Chicago area, and soon-to-be-aired TV ads feature Jackson and her daughter, among others). MOM's first production run was made in March—within budget—and the five initial products were My Turkey Meatballs; My Kind of Chicken; My Meatballs & Shells; Chicken, Please; and My Favorite Pasta.

MOM has been introduced in the Chicago area (Jackson is based in the northern suburbs) and in Wisconsin through local supermarkets and the area's two largest chains, and Jackson plans to tackle one new market at a time. Sales

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Taking Control of Change

Charles Garfield put a catchy new phrase into the business lexicon a few years ago: *peak performers*. These were people—athletes, astronauts, executives—whose consistent excellence kept them ahead of the pack. Garfield, an Apollo Eleven mathematician turned research psychologist, studied their common characteristics and reported his findings in a 1986 best-seller, *Peak Performers: The New Heroes of American Business*. Garfield is an associate clinical professor at the University of California Medical School in San Francisco.

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Identifying and Preventing White-Collar Crime



Top managers who commit fraud tend to live lavishly, work compulsively, and treat their employees as objects rather than people, experts told the National Joint Conference on White-Collar Crime. Sponsored by KPMG Peat Marwick's Executive Education department in conjunction with the Institute for Financial Crime Prevention and the National Association of Accountants, the two-day Washington, D.C., conference focused on detecting, investigating, and preventing white-collar crime and implementing the recommendations of the National Commission on Fraudulent Financial Reporting (the Treadway Commission).

Such crimes, which cost American business an estimated \$200 billion in losses each year, are increasing at an annual rate of 10 percent as corporations become larger and corporate control becomes more decentralized. How can executives prevent and detect such fraud? "Observing employees is the single most effective way to prevent white-collar crime," said W. Steve Albrecht, Brigham Young University accountancy professor and speaker at the session that focused on detecting and investigating fraud. "Watch for dramatic changes in behavior and life-styles. The stress of perpetrating crimes against employers can cause such criminals to distance themselves from colleagues and to become irritable and defensive."

What else can corporate management do? Here are some suggestions:

- Place someone in charge of a prevention program
- Adopt a specific, formal code of conduct
- Educate employees about the code and the program
- Prosecute malefactors

- Conduct thorough background checks on job candidates
- Maintain an open-door policy under which employees can discuss personal financial problems
- Eliminate perceived inequities within the company
- Rotate the job assignments of employees

According to Andrew J. Capelli, KPMG Peat Marwick's national

director—litigation support services, companies that encounter white-collar crime in their organizations usually form an investigative team (comprising internal people and consultants), which makes recommendations to the board of directors. For more information contact Capelli in New York (212-872-5845) or the local or regional litigation support services coordinator in the KPMG Peat Marwick office nearest you.

Vertical Systems Joins KPMG Peat Marwick

Vertical Systems, Inc. (VSI), an information technology consulting practice based in Seattle, has joined KPMG Peat Marwick. "The merger unites two very compatible firms," says Russell C. Riggins, partner in charge of the Firm's Pacific Northwest consulting group and market director of KPMG Peat Marwick's high technology practice. Riggins is responsible for coordinating service delivery in Washington, Oregon, and Alaska. "Together we can help Pacific Northwest companies identify and attain their objectives by providing essential consulting services in a cost-effective manner." He says the full-service spectrum includes strategic planning, implementation, and ongoing management.

Since its incorporation in 1984, VSI has gained a solid reputation for such services as requirements analysis, systems design, choosing (or programming) hardware/software, and assisting in implementation.

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are expected to be around \$200,000 this year and to climb to \$2.5 million in 1989 and to \$60 million in the fifth year. "The big companies are starting to see me as a contender," she says.

Inc. magazine's September cover story features Jackson as a typical large-company refugee who has taken a different approach to building a business. "Mary Anne Jackson is not the sort of entrepreneur we're accustomed to hearing about," wrote author Tom Richman. "When I first visited this

large-company veteran in June, I met a person whose deliberate, dispassionate approach to building a company challenges all the conventional wisdom about founders. As part of a wave of displaced Fortune 500 managers, she perhaps will come to represent a new paradigm of the entrepreneur."

MOM has been great for working-mom Jackson. Her office is two miles from her home, which "gives me more time with my kids and a lot of flexibility," she says. "Being an entrepreneur has been a wonderful experience—a lot of hard work, but exhilarating."