

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

Virtual Signature Event

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and Guylaine Saint Juste**

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ANNOUNCER: Please welcome David Rubenstein, president of The Economic Club of Washington, D.C.

DAVID M. RUBENSTEIN: Welcome, everyone, to our 14th Signature Event since the beginning of the COVID crisis. We've tried during these broadcasts to let you know a little bit more about what's going on in the Washington area relating to things related to COVID and basically how people are coping with this problem.

So, let me start with Michael Neidorff. Michael, thank you very much for coming to us. Michael is based in St. Louis.

MICHAEL NEIDORFF: Pleasure.

MR. RUBENSTEIN: And thank you. He's coming to us from his offices in St. Louis.

Let me give you a brief overview of Michael's incredible accomplishments. I've known Michael for many years, and quite proud to call him a friend of mine but let me give you some of this interesting background. Michael is a native of Altoona, Pennsylvania; went to Trinity College – Trinity University in Texas; and got into the health-care world. And he in 1996 became the CEO of Centene. Since that time, Centene has had its revenue go from roughly \$40 million in 1996 to roughly \$112 billion now, I believe, this year, something like that. In addition, the company went public in 2001 and the company's stock is up roughly a 100-plus times since then. So, I wish I had invested in it then. Centene does so much work around the country that I think one of every 15 citizens in the United States has health-care services provided by Centene.

Michael is also involved in the philanthropic world extensively. I've gotten to know him through the Kennedy Center, where he's been a board member. Also, he was – he is the treasurer of the Kennedy Center. And I was able to persuade him, thankfully, to chair our Capital Campaign Committee so that the \$200-plus million we raised for the REACH¹ was really due to Michael's work and legendary arm-twisting, and we raised that thanks to Michael's effort and his own generosity as well. Michael is very involved, as well, in the – in the National Urban League. He was the chair of the National Urban League for a number of years, also the chair of the St. Louis Symphony, and a variety of other philanthropic activities that are too numerous to mention.

So, Michael, you obviously know a lot about health care. So, tell us, basically, do you think the worst is over for the United States in having to deal with the COVID crisis? Or based on the information you're getting from all the people you have around the country – you operate in all 50 states – do you think we still have very big health-care problems that the United States has to deal with?

MR. NEIDORFF: I wish I could say I think it's over, but I think we have a road to travel. The epidemiologists I work with and public-health people feel that there probably will be a couple

¹ The REACH is a place where visitors, audiences, and artists can come together for collaboration, experimentation, and exploration in the spirit of President Kennedy's vision for a new frontier for the arts. Many of the spaces have been named after historical and personal moments in his life as an expression of our role as his living memorial. (<https://www.kennedy-center.org/reach/>)

smaller spikes this summer and we're at risk for a larger spike in November. And a lot of this has to do with the social distancing, the use of masks, things of that nature. And it's a cultural thing that we have to overcome.

MR. RUBENSTEIN: OK. So, Michael, let me ask you, do you wear masks when you're dealing with things? You have your mask there. OK.

So, you have a big company. You have about – how many employees do you have?

MR. NEIDORFF: Seventy thousand.

MR. RUBENSTEIN: Seventy thousand employees, OK. So where are you running your company from – your office where you are now, or have you been running it from your home, or how have you been running it?

MR. NEIDORFF: Well, I've been basically at home because I want to – I want people who are working at home to feel comfortable. If they see me in the office, they may feel they have to be. But this – the eighth floor, where we are, it's very secure and it's safe. There's very few of us up here.

But I'm very proud. We moved in three days' time 66,000 people home to work, and the operation continues to function completely as it normally would.

MR. RUBENSTEIN: OK. So today would you say that in hindsight the United States health-care system could have done better things to deal with COVID-19, or do you think we did the best we could?

MR. NEIDORFF: I think, without being politic – just looking at the science of it – I think we could have done better. I think what I've talked – the people I've talked to say what we're lacking is a national policy and – that keeps everybody united in the approach to do it. And I think in retrospect, that may have been some help.

MR. RUBENSTEIN: And what about the information you have about vaccines? Many people say without a vaccine people will never feel comfortable coming back to work. Do you think there is any prospect of a vaccine in, say, the – by the end of this year or early next year, or not so?

MR. NEIDORFF: I hear it. I pray for it. Having worked at Miles and Bayer and knowing what it takes to develop drugs, and test them, ensure what the side effects are and things, it is a challenge to get one out that fast. Computer technology helps, but some things just take time.

I would emphasize, David, if I may, though, that next to the vaccine the most important thing you can do is this mask. And an epidemiologist pointed out to me that in Japan, where there's 127 million people – and they've always had in Asia a mask mentality – when we had 100,00 people die, they had 832. In Hong Kong, with 7 million people in a congested area, they had four people die in the same time zone. This is the next best thing until we have a vaccine.

MR. RUBENSTEIN: So, Michael, let me ask you this. I didn't do a good job of describing what you actually do in your company. What does your company actually do for people?

MR. NEIDORFF: We're in government services health care. And we are the largest Medicaid provider, which means the states contract with us to provide the medical care for people on Medicaid. We are the largest Affordable Care Act provider in the country. We're the largest – close to the largest long-term care. So, we're in government services health care. And we have some specialty companies. We have some international operations that operate hospitals in other health systems – in England, Spain. So, it's a multinational; we're in all 50 states. And as you highlighted, we cover about one out of every 15 Americans.

MR. RUBENSTEIN: So, explain to me. Let's suppose I'm on Medicare and I go to the hospital and I need medical treatment. What does your company do if I'm a client of yours?

MR. NEIDORFF: We are providing your insurance if you've signed up for us and we manage the care. We ensure – we do everything we can to ensure the highest-quality care and that you get the services you need in a timely fashion.

MR. RUBENSTEIN: So, explain this, though. Medicare has seemed to be growing exponentially in terms of the federal budget. Can we really afford the Medicare that we are now giving everybody or people are getting? Because it's just costing so much money. How do we deal with Medicare costs? Or is it not a problem?

MR. NEIDORFF: Well, I think – the Medicare, it's an issue, but I think we have to get – we're bringing efficiency to it, and I think that's really clearly why the private sector is growing faster than the Medicaid fee-for-service side. In the Medicaid side of it, the managed care clearly saves a lot of money for the states and the government. Our average premium increases the last five, eight years have been about 1 ½ to 2 percent a year. So, managing the care, improving the quality – and we maintain the highest quality is the least expensive.

MR. RUBENSTEIN: So, without getting into the politics of it, is the – is the Affordable Care Act helping people or not? And how does it help your company in terms of administering health-care programs?

MR. NEIDORFF: I think the Affordable Care Act is achieving – as you said, outside the politics of it – what people want. The best indicator is that 80 to 90 percent of the individuals that we have in a given year re-up the following year, so there's a satisfaction. People want to have insurance. They don't want to – they like having that card on an affordable basis.

MR. RUBENSTEIN: So, what happens if somebody doesn't have insurance, and they get injured, and they go to an emergency room? Who actually pays for that? Does the hospital pay for it, or who pays for that?

MR. NEIDORFF: Well, the hospital covers it, but you and I as employers pay for it because that gets cost-shifted to our premiums that we have to pay for insurance.

MR. RUBENSTEIN: So how do you compare the health-care system in this country to, let's say, those in Europe or Asia? You think we are better for wealthy people or we're not as good for poorer people, or how would you compare it?

MR. NEIDORFF: I think we're better for everyone. You know, the – everybody likes to talk about the single payer, but people have to realize that single payers contain costs by restricting access. And they – like, if you look at European countries where they have a public and private sector, anybody that can get close to affording the private coverage does it because you – if you're 65 or so you and need a knee replacement, there's no telling when you would get it. So, I think our system serves well. We just have to cut out some of the waste that's there and ensure that it's efficient, and we're doing just that. There are ways to do that.

MR. RUBENSTEIN: So do you believe that the – that the elderly people, people who are, let's say – I don't know, hate to say what elderly is, but people who are older than the average person in the United States, they have been affected by COVID adversely. Is that because their immune system is weaker? And do your statistics show that people who are dying disproportionately are both older and minority?

MR. NEIDORFF: Yes. I think – I think what you are finding are people that – they are at health risk: hearts; smokers are clearly at greater risk. That's why in some countries where you see more men are affected than women, because they – there's more men that smoke. So, it's a combination of factors. The minority communities, I think, have been affected in part – the ones we work with have great access to care. But I think that they live in closer quarters. The density of their population is greater, which means that the social separations are tough. There's a number of factors. There's no one factor you can point to.

MR. RUBENSTEIN: Michael, you're in your early 70s, so you look like you're in pretty good shape. What do you do to stay healthy? And is the best way to stay healthy, based on your statistics and your experience, good genes, exercising, eating well, or being interviewed by me? What do you think the answer is?

MR. NEIDORFF: Well, obviously being interviewed by you keeps us alert and very astute certainly. So, I mean, that always will help. I think genes can never hurt you. But it's a lifestyle thing. I had an aunt that lived to be 94 and was still practicing law, and she used to say age is a number. But I think anything in moderation is appropriate. Exercise is important. I have a gym in my basement and a trainer that shows up, before the COVID, every morning at 5:30 for a workout. So, I think you need to do that. I eat red meat three, four times a month, but anything in moderation. Just think about what you're doing. Avoid salt and high fat.

MR. RUBENSTEIN: I have a gym in my basement, but I just look at it.

MR. NEIDORFF: [Laughs.]

MR. RUBENSTEIN: I actually think by osmosis, if you walk past this, maybe it'll rub off. It hasn't worked yet.

So, let me ask you, how did you grow your company from the level that you had in 1996? To be honest, it's an exponential growth that's very difficult to figure out how anybody could do that in a non-tech area, let's say. Google or Microsoft or Facebook may be different. But yours is not a technology company in that sense. So how did you grow this company? What was the secret to it?

MR. NEIDORFF: Well, I was blessed. When I was at Miles and we were bought by Bayer, I worked on reorganizing the two companies as a team. I learned the term key factors for success. And as soon as we moved into this company, we identified those. It was systems. It was networks. It was things of that nature that we laid out. And it's still factors we focus on.

But I attribute it to having just the right people helping me. I have people who have been with me for 18, 19 years. My chief of staff just retired after 31 years, having worked with me in three, four companies. So, there's a consistency. But we also have one philosophy, and that's everybody in this company has a sense of responsibility, accountability, and authority. And we operate under what Psychological Associates calls Q4. Now, if I'm in a meeting with my staff of 10 people, they all know I have 11 votes, that I'm accountable. But they also know that I have an obligation to hear them out completely, get all their points of view before I make that decision. People are able to work with it.

I also have to call out – I've had great bankers helping me. I have – I had LeRoy Kim at Allen & Company. And every bank in the country knows we do nothing but work with others, but they're always involved. We have people whose counsel, really, we can depend on and will tell us when we're – our eyes are brown because we're full of mud. And we depend on that.

MR. RUBENSTEIN: So, some people say they have a hard time getting something reimbursed by insurance. This is a frequent complaint you may have heard of where people say I'm not getting reimbursed for this, and so forth and so on. And doctors often say, when they're giving you services, well, this is not reimbursable. So, do you see a lot of problems in that area where insurers just don't pay for certain services that people might want? And how would you address that problem?

MR. NEIDORFF: Well, I think there's been too much of that, and it's unfortunate. It's how they fill out the claims and everything. We now are reorganizing our systems, IT, and we're focused on the member – the recipient experience and the provider experience. And we want both to be very positive. And I envision a day when we have paperless claims and where there is no claims process, where it's just very simply done. That's where we have to move to, David.

MR. RUBENSTEIN: And what about fraud? Do people fill out forms where there's fraud? And how do your people pick up fraud? In other words, if somebody says I want to make some money that I don't deserve, I'm going to say I got this service or something, is that a big problem for you?

MR. NEIDORFF: It's there. We have what we call – we have a whole unit that focuses on that. And they may get away with it for a short time. But we have algorithms that identify patterns, and it's very quickly identified and –

MR. RUBENSTEIN: All right. So whoever the next president of the United States is, if he called you up and said, Michael, you know a lot about health care, I want to fix our health-care system, give me one or two ideas that I can realistically do to fix our health-care system, what would you recommend to the president?

MR. NEIDORFF: We're working right now, and I would tell him take Medicaid, which is to 138 percent of federal poverty level, back down to 100 percent. Those below 100 percent, bring them up to it. Take the ACA and cover and subsidize from 100 percent of the federal poverty level to 400 percent. That'll cost about \$9 billion at the highest level; more than likely six [billion dollars].

Let's teach people to fish, how to use insurance. Teach them to fish rather than give them a fish. I think there's things we can do and there's other aspects of that we would add to it. But let's simplify it and let's make it affordable and the highest, and let's reward quality in the system.

MR. RUBENSTEIN: Now, Michael, when I first met you a number of years ago through the Kennedy Center, I learned about your company. I mistakenly didn't buy any stock in it. And I don't own any stock, unfortunately, now. But let's suppose I said I want to invest in health care and I'm not going to buy your stock, let's say. Where would be a good area to invest in health care over the next two or three years that I think is going to see a big increase in value of the companies?

MR. NEIDORFF: Well, unfortunately, they've also taken off to a great extent, because I've looked at it in multiple ways. But I think health care, as we know it today, is going to change through technology. That's a point I should have made earlier, that when things get out of control cost-wise, technology always comes in.

And I think genomes is the answer, mapping one's genes. I don't think we'll need hospitals in the next 10 years as we know them today. You're going to go in; they're going to draw your blood, map your genome. The churches allow amniotic cells. They have more than enough cells. They're going to mix something up that's curative. Hospitals will do trauma, OB, and some joint replacements and things.

So, I think what you – look at companies that are moving in that direction and I think you'll, long term, do very well.

MR. RUBENSTEIN: So, what have you learned, as a final question, from this experience? In other words, you've been working from home. You've been managing your company from home. What have you learned about running your company remotely? And what have you learned about yourself through this whole experience?

MR. NEIDORFF: Well, first, I think what I've learned is how incredible my team is, at the dedication to the most vulnerable population that we serve is there and that really good people in any circumstance will only work one way – the best they can. And we have not missed a beat, in my opinion, in serving people.

Myself, I learned that I enjoy coming in the office. I enjoy the interaction with people and that we can be more efficient in using things like Zoom. We're going to be doing more and more of that. We're looking at telemedicine, our own version of it. So, what I've learned is that technology there can be very effective. I'd much rather be sitting in a studio with you right now, David, but we are able to get this interview done.

MR. RUBENSTEIN: Well, again, this will be the final question. You led our effort to raise about \$260 million, I guess, or so for the Kennedy Center's campaign for the REACH. What was the key to twisting people's arms and getting that done?

MR. NEIDORFF: I think it's two things. I think, one, it wasn't I. It was we. You were in the middle of it and a great help, and the staff at the center played a key role. But I was blessed to be in a position to make significant donations myself and through our company so that we're able to say to people, join us. And people, you know, will react to that when we say, look, this is what we're doing; I'd like you to become part of it. And I think that's key to any time you're raising funds.

MR. RUBENSTEIN: Michael, thank you very much for your help on the Kennedy Center and coming on this morning. And I hope you stay as healthy as you look today. And I will try to work out myself. I'm going to actually try my equipment someday.

MR. NEIDORFF: I just – please be safe. We need you, David.

MR. RUBENSTEIN: All right. Thanks a lot, Michael.

Now our next guest is Dr. Timothy Sands. And welcome, Dr. Sands.

Dr. Sands is the president of Virginia Tech. He is a native of California; did his undergraduate work at the University of California, where he got engineering degrees and material sciences degrees. For a number of years, he was an academic at Purdue, serving as the provost at Purdue, among other things. For the last – I guess he became the president in 2014 at Virginia Tech, and he's the 16th president of a school which is technically Virginia Polytechnic Institute and State University.

So welcome very much, Dr. Sands.

TIMOTHY SANDS: Thank you, David. Thank you for having me.

MR. RUBENSTEIN: So, Dr. Sands, universities are having a challenge about what to do in bringing students back. Let's – before we get to bringing them back, when did you finally decide earlier this spring that you had to say to your students go home? What prompted you to do it? And did you do work online with your students? And how did that work out?

MR. SANDS: In early March, when the pandemic was really clearly going to hit us, we decided to extend spring break. We were really fortunate that our students were off campus at that time; a lot of them, anyway. And we extended spring break and flipped to remote learning in a matter

of days, 4,500 course sections. Our faculty did an amazing job of that. And we decided to, at that point, cancel in-person classes for the rest of the semester.

So, it was a very quick decision in a lot of ways. But we had been meeting for weeks because we were dealing with our study-abroad students, who were in areas of the world that were already experiencing the worst of the pandemic. So, it didn't hit us – it wasn't all of a sudden, but the decision was made in a matter of hours to pivot.

MR. RUBENSTEIN: How many total students does Virginia Tech have?

MR. SANDS: About 36,000. Most are in Blacksburg. About 2,000 are in other locations, including seven sites in Northern Virginia.

MR. RUBENSTEIN: And of those 36,000, how many of them actually went home or worked remotely? Or how many could not leave the campus?

MR. SANDS: Well, we had about 10,400 living on campus right before spring break in Blacksburg. And that went down to about 500, a little less than 500, over a matter of weeks. And really, we couldn't close the residence halls completely. We have a lot of students who had no access to the internet, who had challenging situations at home or couldn't even get home. So, we kept the residence halls and dining courts open, but at a very limited capacity.

MR. RUBENSTEIN: Now, just give us a brief history of the university. When was the university started?

MR. SANDS: It was founded in 1872. It's a land-grant institution. It was a military institute back then. And although it seems like an old university – we're about to celebrate our sesquicentennial – it became a state university in 1970, a comprehensive university. So, we also have a young vibe going on at Virginia Tech. We have a new health science and technology campus in Roanoke. And you've probably heard of the innovation campus coming into Alexandria. So, it's a very dynamic place with a long history.

MR. RUBENSTEIN: So, do you get a lot of money from the state of Virginia, or do they just say you're the state university, but they don't give you a lot of money?

MR. SANDS: [Laughs.] Yeah, well, that's probably true for every state university. But the reality is we have a very good partnership. We've lost resources from the state in past recessions. But I think we have come into great alignment in terms of our shared responsibility for the economy and – over the last several years. So, I feel good about that partnership. We'd love to have more resources from the state, but we do pretty well.

MR. RUBENSTEIN: I think, if I recall, the University of Virginia gets roughly 4 percent of their funds from the state of Virginia. You are in the single digits as well?

MR. SANDS: Not quite. We're – as a land grant, we do have a special allocation that goes into that mission, which we have an office in every county, every city, of the commonwealth. We have 11 agricultural research and extension centers around the – around the state, in partnership

with Virginia – [inaudible, technical difficulties] – state university. So, we get a little more as a result of that. We're probably – around 15 percent or 16 percent of our total revenue comes from the state. And then about 24, 25 percent of our instructional revenue, the university instructional budget, that comes from the state.

MR. RUBENSTEIN: What percentage of your students come from Virginia?

MR. SANDS: We have – 71 percent of our undergraduates are Virginians at the moment.

MR. RUBENSTEIN: And what about from Washington, D.C.?

MR. SANDS: About 40 percent of our students come from the region, from the D.C. area, and most from Northern Virginia, but we get a lot from Maryland and D.C. and also New Jersey, New York. So, we're kind of an East Coast – we're a mountain campus in Appalachia with a little bit of the South, a little bit of the Northeast, and a lot of the D.C. area.

MR. RUBENSTEIN: What is a Hokie?

MR. SANDS: Well, Hokie came from – that term is a made-up term; came from 1896 from a college cheer that started Hokie, Hokie, Hokie, Hi. And at that point we had a turkey as our mascot, known as the Gobbler. Our colors were gray and black. So, we've come a long way. Now we're orange and maroon. And the Hokie is a character that looks a little bit like a turkey, but even little kids would like to go up and give it a big hug. So, Hokies are unique to Virginia Tech. And if you ask what's a Hokie, the response is I am.

MR. RUBENSTEIN: So, in 2007, Virginia Tech was hit by a tragedy. Thirty-two students were killed – 32 people were killed, and I think 23 injured. Has the university – I won't say you can recover from that – but how does the university deal with that tragedy today?

MR. SANDS: Well, it's really part of our culture in a lot of ways, part of our history. Every year we have a recognition of those we lost, and it involves thousands, sometimes tens of thousands of people, depending on the year. We meet with the families. So, there's really an intimate relationship with those we lost.

There's a memorial right in the center of campus, and every – I think, for me, every day when I walk on campus, I see it and reflect. It did reveal a very strong community at Virginia Tech, and that something we've continued to build upon, and I think it will go on forever. We really have committed to making that part of – that remembrance part of our culture going forward.

MR. RUBENSTEIN: Let's deal with the biggest challenge that universities are having today, relatively speaking, which is are you going to bring your students back? I think you've made an announcement recently. What are you going to do? Bring them back in person? Online? How are you going to deal with all that?

MR. SANDS: It will be a hybrid. We made an announcement on June 8th of our basic plan, and it will involve bringing students back, but with public health guidelines at the forefront. We

anticipate about 30 percent of the student – maybe a third of the student experience will be in person – small classes, the things that have to be done in person or are done best in person – but large lectures, those will be online and remote. Various modes that we’re exploring, but we really have to take this public health crisis seriously, so coming back to campus – everybody wants to come back, but it’s going to be different in the fall until the – until we have a vaccine or the virus mutates. But for the foreseeable future we’re going to have to live by the public health guidelines.

MR. RUBENSTEIN: So, who is at greatest risk, the students or faculty members, because the faculty members tend to be older, and aren’t they at greater risk? Or is that not the case so much anymore?

MR. SANDS: Well, that’s true, but I think the reality is that it’s a community-wide responsibility – not just for Virginia Tech; I’m speaking at the Blacksburg campus but – where we have most of our students and faculty, but the community we’re embedded in. So, we have to look at it holistically. An outbreak among our students may not put many of them at serious risk, although some would be, but it would put those in our community who are more vulnerable at risk. So, everybody has to treat it as their responsibility if we’re going to be successful at this. We can’t say, oh, I can ignore it because I’m not at risk technically, and everybody – the community is at risk. So that’s part of what we’re doing is working on the culture to make sure that people understand that their actions have implications for people they haven’t met.

MR. RUBENSTEIN: So, if you come back to campus, do you have a dorm with – do you have your own room, or are you still going to share two and three in a room? How does that work? And what about sharing bathrooms? How does that work?

MR. SANDS: Well, we struggled with that early on, thinking about how to do that. It does seem like it would be better to just have single rooms, but we also had to look at the community that we’re bedded in, and the limited amount of housing available there. So, the balance ended up being that we’re bringing back a lot of our students – about 9,000 – and they’ll be in singles and doubles primarily. There will be shared bathrooms that we’re going to have hypervigilant cleaning of those facilities and attention to a wellness commitment that everyone who comes on to campus as a resident will sign – or has signed.

So, it will be – it will be challenging and require everybody to be in concert with the idea that they have responsibility for everyone else’s health. But we think we can manage it. It will be a challenge.

MR. RUBENSTEIN: So, some people say that when you have a battle between social distancing and teenage hormones, hormones will usually prevail. So, are you worried that students are going to be not socially distanced enough?

MR. SANDS: You know, I think it all depends on the culture and the messaging. I am worried about that, but I think if 90 percent of our students are compliant 90 percent of the time, we can manage the other 19 percent. So, we will be working hard on the public health-communications piece of this, but it is true that students will be students. They are 18 to 22 years old primarily – the undergraduates.

But I also know that we've been through a lot as an institution, and when Hokies need to perform, when they need to come together as a community, they always do. So, I'm fairly optimistic about that.

MR. RUBENSTEIN: OK, and what about wearing masks? Will the students have to wear masks in class, or you don't have to? And suppose they don't wear masks – what's the penalty?

MR. SANDS: Students will be expected – actually everybody will be expected to wear masks indoors where they can't be physically distant from one another. We are reducing the capacity of our classrooms, and we're doing everything we can in terms of minimizing contact, but yes, we're expecting masks.

The students who agreed to live in the housing on campus signed a Hokie wellness commitment, which does expect masks. And if we do have problems, they will be subject to the student conduct process. But the reality is that we're all going to have to exhibit quite a bit of grace here. There are all sorts of exceptions where masks are not easily used by some students who have health conditions or something similar, so we have to be aware of the fact that every individual is a little different. But it will be a challenge. I think that it's not enforcement that will make that work; it's culture.

MR. RUBENSTEIN: What about athletic events? Can you really play football and be socially distanced at the same time?

MR. SANDS: That is going to be a challenge, and we're slowly bringing back our student athletes as well as our clinical students on to campus and trying to understand better how the dynamics are going to work.

We're a little bit away from understanding what kind of fan participation is going to be possible in our stadiums and colosseums. Right now, not much. But hopefully – and Virginia is doing well in terms of our progress – unlike some others in the country, so I'm somewhat optimistic in that regard. But we're taking it step by step.

MR. RUBENSTEIN: When students come back, do you expect protests relating to the George Floyd killing and similar incidents that have happened in the United States? And what is the racial composition of Virginia Tech?

MR. SANDS: Yes, we do expect student activism, and I think it's appropriate. As a matter of fact, we are already meeting with our student leaders and with various organizations associated with our students of color, and our faculty of color, our staff of color. So, yes, that is not going to be something that we wait to happen; we're working on it right now. We're having those conversations.

Fortunately, Virginia Tech has been pretty proactive over the last five or six years in terms of diversifying the student body. We have – in our incoming class, we're at 18 percent underrepresented minority. About 65 percent of our students on campus now are what you call White residents of the United States, so we've got a very diverse population in terms of

international students, underrepresented minority, and it's getting every year a little bit more diverse.

So, we can't ignore these – we may be in the mountains in Appalachia, but we can't ignore what's going on around us nationally. Our students are coming from all sorts of places around the world. And it's vibrant and challenging, but we will have those – not just conversations; we'll be taking action.

MR. RUBENSTEIN: Now do you have any Confederate monuments or memorials, or things like that on your campus that you expect will have to be taken down, or not?

MR. SANDS: We have – we don't in the usual sense. We were founded in 1872, but we have – being in the south, we have a legacy of individuals and institutions that created Virginia Tech. And so, yes, we're not immune from that. We have various buildings named after people that were involved with the Confederate Army. That's not surprising. We have all sorts of institutional relics that I think reflect on institutional racism and the – essentially the way we – our country was created.

So, we're not immune from it. We're not – we don't have Confederate monuments in the sense of institutions that are older than we are.

MR. RUBENSTEIN: A final question, Dr. Sands: What would you like the Washington business community to most know about Virginia Tech?

MR. SANDS: Well, we've been in the region for 50 years. As I mentioned, about 40 percent of our students come from the region. We have at least 60,000 alumni in the very near proximity to D.C., and we're coming in big.

We've got the innovation campus that was part of the deal with Amazon with the state – it's in parallel – called the Tech Talent Investment Program. We're building that campus with our partners in North Potomac Yard, and we're going to grow.

So, I think we're going to be converting a lot of people who aren't Hokies now to become Hokies and looking forward to becoming an even bigger part of the community.

MR. RUBENSTEIN: Thank you very much, Dr. Sands, and thank you very much for coming this morning, OK?

MR. SANDS: Thank you for having me.

MR. RUBENSTEIN: All right, my pleasure.

Now we're going to have a discussion with two leading figures in the sports area – Phil de Picciotto. Phil is the founder and president of Octagon, and Phil is a person who has built Octagon into being perhaps the largest sports and entertainment agency firm in the world. He has 50 offices around the world, and he founded it a number of years ago after leaving – transitioning from another firm called Advantage International.

Phil is a graduate of Amherst and University of Pennsylvania Law School, and like me, he decided to do things other than practice law. So, Phil has about 800 employees now, and manages some 13,000 sporting events around the world every year.

Mark Ein is a person who is a native of the Washington area, went to Bethesda-Chevy Chase High School where he was captain of the tennis team, then went to the University of Pennsylvania, then Harvard Business School. He started his career in Washington at the well-known Carlyle Group, where I managed to hire Mark. It was a very good decision. He worked for us for about seven or eight years, then went out on his own to start Venturehouse Group, which is a very entrepreneurial business enterprise, and among the other things that Mark has done, in addition to his philanthropy in the area that I'll mention in a moment, Mark has bought the Washington Kastles. He is the owner of that. For a while, he owned the World Team Tennis Tour as well. He also is the owner of the Citi Open, which is the tennis tournament that's being held in the Washington area and has been for many, many years. And he's also the owner of Lindblad and also Kastle key company, which many of you probably use to go into your building.

So, Phil and Mark, welcome very much to our little broadcast.

MARK EIN: Thanks for having us.

PHILIP D.M. DE PICCIOTTO: Thanks, David. Thanks for keeping us informed and connected.

MR. RUBENSTEIN: OK, so Phil, let me start with you. Are we going to have a baseball season this year? I think I just read that the major league baseball people finally said, yes, we're going to have a 60-game season. Is that going to happen?

MR. DE PICCIOTTO: It looks like there will be a baseball season, albeit a shortened one – probably 60 games in the usual stadia except maybe for the Blue Jays due to Canadian governmental restrictions. But the schedule will be regionalized to limit travel for all teams.

The owners want fewer games since they will lose money for each game played if they have to pay the players on a full prorated basis in accordance with their existing contracts. And the irony is that not all teams are treated similarly. The best attended and best performing teams in the big markets – like the Yankees and the Dodgers – get hurt the most as they have the most fans. Those with normally low fan attendance are going to be hurt the least.

So, the timing of the next collective bargaining negotiation in baseball is another reason that baseball is in a tough position. This threatens the 2022 season, but it looks like they will play.

MR. RUBENSTEIN: So, when they play, of course they're playing, but they're having no fans – is that right? There are not going to be any fans.

MR. DE PICCIOTTO: That's right. There's no plan to have fans.

MR. RUBENSTEIN: And the reason that they are not all doing this in Florida or Arizona is just – there's no reason to do that. They all have their own stadiums. It's different than basketball.

MR. DE PICCIOTTO: Well, you know, the reopening of sports shows how divergent opinions are. Every sport is treated differently. And the news of the last 24 hours reminds us how complicated this all is, and the different circumstances, and the governance of each sport are leading to very different outcomes.

So, for example, we're not likely to see indoor events with fans this year – or at least not for the current seasons, and eventually, the development of a therapeutic – maybe not even waiting as far as a vaccine goes – largely keeping people out of the hospital may be enough to get some fans to take the risk to come to games if governments allow people to congregate. And baseball is counting, I think, on allowing teams to play in their home markets because they've decided that it's the best thing for them.

MR. RUBENSTEIN: So, what about basketball? Basketball is definitely coming back, but it's all going to be based in Orlando. Is that right?

MR. DE PICCIOTTO: Yes. The NBA bubble is being implemented under a very detailed, 113-page health and safety protocol. The idea is essentially to shrink wrap the players. They're going to bring the players into the bubble after they test COVID-free. They'll test them every day. They won't let them leave so as to keep them COVID-free for a couple of months to finish the existing season, and then presumably they will do it all over again to start the next season. And if a player somehow tests positive despite these controls, that individual will be removed, and the rest will continue to play. Contact tracing is easiest within a bubble, so the hope is that they can prevent a substantial spike.

MR. RUBENSTEIN: And what about the NFL? What are the NFL going to do?

MR. DE PICCIOTTO: Well, the NFL is intending to play, but football players may be the most at-risk of all athletes because of their size and their general health – not necessarily because of the contact in the sport. Basketball has arguable closer contact with less protection because basketball is played indoors and there are no helmets. But football is risky, and the biggest risk is that they are planning to compete as usual with no bubble.

So, the health of the players is a major concern. Even a small sustained loss of lung capacity for a top athlete could be career threatening, and I think you are starting to hear the voices of the players rise to say, we're not sure that playing or starting on time is a very good idea.

MR. RUBENSTEIN: College football supports many athletic programs of many leading universities. If college football is not played, what will happen to the athletic programs of so many major universities?

MR. DE PICCIOTTO: Yeah, David, you're right. It's a major risk. I think college football will be played only if campuses reopen. There is no sensible discussion around student athletes alone

returning to campus in order to preserve the season, despite the financial hardship that cancelling seasons will have on some of the larger schools. But even with campuses open, there's a recognition that intercollegiate sports involve more risk for student athletes from contact and travel than is the case for student non-athletes.

Now I think you will see decisions being made very individually, conference by conference, sport by sport, and sometimes even school by school within a conference. But the big football schools in the south and southeast are the most likely to play, maybe even with some fans though probably with an altered schedule that doesn't involve much travel and maybe fewer games as not all the schools will decide to play. The college basketball season is too far off to predict.

But speaking of amateur sports, you know, this period has also been a reminder that the foundation of college sports and actually our entire industry begins at the youth level. And there we have an enormous national public health crisis: obesity, health care costs, et cetera, because of the lack of accessibility and equality in physical activity in youth sports. So, we're working with a lot of other people to try to solve this problem through a number of initiatives led by the corporate community and supported by owners like Mark Cuban who are looking past the present into the future.

MR. RUBENSTEIN: Hey, Mark, can I ask you about tennis? The Citi Open is something that you now own. Is the Citi Open going to occur on normal schedule, and are there going to be fans, or what are you going to have?

MR. EIN: Yeah, so thank you, David.

Yeah, so the Citi Open has been played in Washington for 51 straight years, and we just announced last week that it's going to be the first tennis tournament back in the world since the beginning of March when the tour was put on hold.

We are moving back two weeks, so we're going to play in Washington, and then the players will go to New York where they're going to play the tournament usually in Cincinnati – they're going to play at the U.S. Open site, and then play the U.S. Open.

At the moment we are planning on playing it with no fans. That is the plan. We hope that as the situation continues to improve that we can allow some amount of fans to come. There's families and people who've been coming to this event for decades, and other people we'd like to give a special treat to after a tough year to be able to come, but we'll just have to see about that.

MR. RUBENSTEIN: Well, team sports are ones where the kind of – the coach can kind of – or the – can kind of say to the players, you do this, you do that, you're working for me – more or less. But tennis is kind of different. So how do you keep tennis players from doing the kind of things they shouldn't be doing, and how can you be sure that they're going to be healthy?

MR. EIN: Yeah, I mean, like the tennis players, they have a big self-interest in remaining healthy, and so most of them have actually been quarantining, and practicing, and staying fit.

They're eager to come back. They haven't made money, they haven't competed. They haven't got ranking points for the last four or five months. And if you look on social media, you will see that most of them have been taking good care of themselves, training hard.

And I'll tell you, David, they are so eager to come back. Since we made this announcement we've been inundated with people – top players from all over the world who want to come to Washington. So, they do it for themselves, but they have a big interest in staying healthy.

MR. RUBENSTEIN: Now World Team Tennis – you own the Washington Kastles, so they're going to be playing their games where?

MR. EIN: So, World Team Tennis is going to play their entire season at the Greenbrier.² Phil I think accurately described the mindset that all sports are going through of creating a bubble. That's what we're doing at the Citi Open; that's what they're going to do in New York at the Citi Open – I mean, at the U.S. Open, and then World Team Tennis is going to create a three-week bubble at the Greenbrier where all the teams will go play there, and it's actually – I think it will be a terrific season for them.

MR. RUBENSTEIN: Now you also own a company called Lindblad – or your public company that you control owns Lindblad. I guess there are no tours around the world right now. Is that right?

MR. EIN: Yeah, so I'm chair of the company – we made a big investment in it five years ago – yeah, and Lindblad is an incredible company. We take people on incredible trips on small ships to the world's most amazing places: the poles, Galapagos, Alaska, the Nile, Amazon. And unfortunately, we literally went from a \$350 million revenue – annual rate of revenue went right to zero since March. But we've been working hard.

I mean, it's interesting as you look across a portfolio of companies, David – which I know you do, too – every business is impacted by the COVID crisis. For some it's a crisis, and for some it's an opportunity. For Lindblad it's obviously an issue.

Well, we created a partnership with the University of Washington and have developed protocols where we're hopeful that we're going to be able to take people on our trips soon, with trips of only a hundred, 150 people. We think we'll actually be able to test people before they come on board and then create a similar bubble – what we're talking about in sports – and hopefully get back in business soon.

MR. RUBENSTEIN: So, Mark, you also own the company called Kastle – I guess it's Kastle Security – so lots of buildings – like it's thousands of buildings in the United States you have to use a Kastle key to in. So, what are – what are you seeing? Are people coming back to offices? And what are you doing with that company to make things more secure for people?

² The Greenbrier is a National Historic Landmark and resort located in White Sulphur Springs, West Virginia.

MR. EIN: Yeah, I mean, Kastle is one of those companies that we secure 1,200 buildings in DMV,³ 620,000 people in our region use it every day. And so Kastle is a company that's been highly in demand. We developed a framework called KastleSafeSpaces to make office buildings safe as people come back to work, and there's been tremendous interest in that. There was actually a big article in the New York Times this morning about the work there.

But, you know, look – everyone wants to get back to work, but they also want it to be safe. And so, we've integrated best practices, worked with experts, and created a framework, and layered on technology that will make office buildings safer, and people have been really interested in it.

MR. RUBENSTEIN: Now Mark, I think Roger Federer is maybe 37 or 38, an age that to me is a teenager, but in that sport, it's considered a little bit old. How can he keep playing at that age when people like McEnroe retired in their 20s?

MR. EIN: Yeah, I mean, that's sort of modern science and, you know, tennis is a sport that you can – that you can play later, as it turns out. I think the age – what – Venus Williams just turned 40, Roger is 38, Serena is 37. They're all competing for grand slams. They've figured out how to keep their bodies in incredible shape. They limit their schedules a little bit, and then they use their experience. You know, if they lose a half a step or a little teeny bit of athleticism, they more than make up with their experience and strategy.

And it's great to see. It's a golden age of tennis with Serena, Venus on the women's side and Roger, Raf, and Novak Djokovic on the men's side, and a whole new generation behind them on both sides. Tennis is just a terrific sport in great shape.

MR. RUBENSTEIN: So, Mark you were a ranked tennis player, I think you told me at one point – number 1,000 or something in the world – in doubles. But if you were to play Serena Williams, what would the score be?

MR. EIN: It would not be good, David. [Laughs.] I actually have hit with her, and it would be – it would certainly be 6-0, 6-0. And she's – you know, she's an incredible athlete, a great player. She's a great role model.

And, you know, I think that touches on, David, the real reason that we're all talking about returning to sports. Phil talked about, you know, the economics are real, but really, sports lifts up a community. The psychological impact of having sports back is really important, and I'll tell you that, just in the week since we announced the Citi Open coming back, and even with fans thinking they may not be able to come, people have been so happy that this event is coming back. They'll be able to watch it on TV. They hope they can watch it in person. But it really lifts up people's spirits.

And then there are also incredible platforms to recognize the heroes on the front line through this crisis, and also shine a light on some of the social issues we're dealing with as a country. I don't know if you – people saw what happened in NASCAR yesterday where there

³ DMV: DC, Maryland, Virginia

was a horrible incident against the one African American driver, and all the other drivers walked him out, walked his car out to the pit, and had a huge moment of solidarity that touched a lot of people. And I think that's the power of sports, and that's why it is important to get sports back, even if it's not what it was. It's really important to get it back and use the platform for good for a lot of people.

MR. RUBENSTEIN: I'm glad to hear that you would score the same against Serena Williams as I would. We'd both have 6-0, 6-0. So, I'm basically even with you, right? OK.

MR. EIN: [Laughs.]

MR. RUBENSTEIN: Phil, let me ask you, who is the highest paid athlete in the world?

MR. DE PICCIOTTO: Well, there's a little bit of dispute over that, but certainly the top six in some order or other seems to be, you know, the three best soccer players in the world – Ronaldo, Messi, and Neymar – and the two best basketball players, who are LeBron James and Steph Curry. And then Roger Federer is actually in that top six in most people's count. This year has been a little bit difficult for him because he's an independent contractor and has to earn a lot of his money on court. But he is certainly one of the highest earners in the world.

MR. RUBENSTEIN: But the richest person who has ever been playing sports, that's now Michael Jordan because he owns a team that's worth a lot. Is he by far the richest former athlete?

MR. DE PICCIOTTO: Roger Staubach, I think, has done very well for himself. Magic Johnson has done very well. There are some others, but Michael certainly is among those.

MR. RUBENSTEIN: And do you think college athletes should be compensated in ways that professional athletes are?

MR. DE PICCIOTTO: In part, yes. I would separate payment for name, image, and likeness – which is now the big issue being discussed because that's a student athlete just being a person. You know, if you are a musician or a scientist, you can get paid for your name, image, and likeness. I am not in favor, on the other hand, of student athletes being paid for playing their sport on the court or on the field. But there's a differentiation between the two.

MR. RUBENSTEIN: Of all the commissioners of professional sports, who is the most respected?

MR. DE PICCIOTTO: The most respected, I think, is Adam Silver, and there's a singular reason for that. Of course, you know, basketball is very popular, and it's global, and the economics have been very good, but Adam has made a lot of good decisions that have created a lot of good outcomes without the rancor that you see in most of the other team sports.

MR. RUBENSTEIN: And which owners in, let's say, basketball, or football, or baseball, are the most respected by – or the most influential with their fellow owners?

MR. DE PICCIOTTO: Well, the most respected, I would say, in football are probably the Maras in New York, the Rooneys in Pittsburgh, and Arthur Blank in Atlanta, but the most influential may be Robert Kraft and Jerry Jones.

In hockey, the most respected is maybe Jeremy Jacobs in Boston. And I would also put Ted Leonsis in that group, particularly for his savvy in marketing, and his knowledge about technology, and his expertise in bringing our community together.

In baseball, there's maybe a bigger group that includes the Steinbrenner family, Jerry Reinsdorf, Magic Johnson and the group in L.A., John Henry, and others. And – I mean, we can go sport by sport, but that's a good group.

MR. RUBENSTEIN: So, let's suppose I wanted to be an athlete, and I wanted to make the highest amount of money I could during my athletic career. What sport would you recommend that I go into?

MR. DE PICCIOTTO: Well, professional sports now have opportunities economically, I think, across the board and around the world, so it really depends on size, passion, and opportunity. But the top athletes – male or female – can do very well for themselves.

On the female side, the focus in the money is still in the major events. The major women's sports events can compete successfully with the men's major sports events in terms of revenue generation, popularity, visibility. The athletes are not quite there yet, but they've got an upward opportunity as well.

MR. RUBENSTEIN: I assume the best way to get compensated, make the most amount of money would be to hire Octagon to represent you. Is that your real point, though?

MR. DE PICCIOTTO: I would at least have a conversation with us and give us a chance to explain – [inaudible, technical difficulties] –

MR. RUBENSTEIN: OK. So – all right, Mark, can you hear me?

MR. EIN: I can, yeah.

MR. RUBENSTEIN: So, Mark, right now, who is the number-one tennis player in the world?

MR. EIN: Novak Djokovic on the men's side, and I think it's Ash Barty on the women's side.

MR. RUBENSTEIN: OK. And Mark, what trip that Lindblad offers is the most exotic? So, I'm known for exotic traveling; I go to New York all the time. I go to Los Angeles and places like that. But if I wanted to go somewhere really exotic, where is the place that you would take me that is the most exotic where I could come back?

MR. EIN: You mean beyond Palm Beach, David?

MR. RUBENSTEIN: Right, yes. Someplace –

MR. EIN: [Laughs.]

MR. RUBENSTEIN: – beyond Palm Beach where I'm likely to come back alive. Where would I – where would I go?

MR. EIN: Well, we actually just had completed construction of the most incredible expedition ship ever built – we took delivery of it the end of March just as COVID started – called the Endurance, which is the most ice-breaking-capable passenger ship ever built. And we were going to – it would take people to Arctic and Antarctic, but it would take it on routes that people usually can't go because of the ice-breaking capabilities.

That's one of the trips that we're hopeful to get people on. We believe that if we can test people before they go on you can feel safe about it. And I do think, David, as people have been sitting in their houses for a long, long time, there is a huge desire to get out as long as they can do it in a safe way. And we think trips like this that are small and safe, where people are tested, is something people are going to be interested in.

But Arctic, Antarctic, the Nile, Amazon, Galapagos – all these places are extraordinary.

MR. RUBENSTEIN: Mark, I should have mentioned you were inducted into the Washington Business Hall of Fame I think in 2018. Who was the person that introduced you, and what is her interesting background?

MR. EIN: Well, yeah, it's my mom, David. And she is my hero. She is an extraordinary woman. You know her. She is actually one of two of the youngest surviving twins of the Holocaust, so she has lived an amazing life.

But David, as you know her, you know, she lives every day with an incredible amount of light and optimism, and so she's my hero. And the truth is, David, is they really asked – they asked me to have you introduce me because actually you are the reason I came back to Washington, and I'm really grateful for that. And you are also one of my business heroes. But they really were pushing for you, and I really pushed for my mom. And when it was done, I hate to say it, but they thought it was a good idea. She's pretty inspirational in her own way.

MR. RUBENSTEIN: Mark, you made the right decision.

Mark and Phil, thank you very much. Thank you.

MR. EIN: Thank you, David.

MR. DE PICCIOTTO: Thank you.

MR. RUBENSTEIN: So, I'd now like to introduce our final guest today, Guylaine Saint Juste. Guylaine is someone who is now the executive director of Year Up in the National Capital Region, and she is a native of Haiti, came here in 1987 to the United States, got her degrees at NOVA, University of Virginia, and George Mason. And she has been in the financial services

world for quite some time, but now has been – for the last number of years – running the – since 2015, running the organization known as Year Up in the National Capital Region.

So, Guylaine, thank you very much for coming.

GUYLAINE SAINT JUSTE: Thank you for having me. I'm a big fan of your show as I told in the green room of the – on PBS, so what an honor and a thrill to be with you today.

MR. RUBENSTEIN: Well, I should have allocated an hour – if anybody is a big fan, I would have allocated a whole hour for you. But I don't know if we have that much time.

But tell me what actually – and everybody else – what does Year Up actually do?

MS. SAINT JUSTE: So Year Up is a national social enterprise, and what we propose to do is to bring talented, gritty, problem-solving 18- to 24-year-olds with great organizations such as The Carlyle Group, David, and together – bring them together so that we can launch careers for deserving young people and turn them into sustaining taxpayers, power businesses with diverse human capital, and ultimately, foster communities that are diverse and at the center of the social justice movement in our country – just really make sure that our ideals of our democracy as a land of opportunity for all comes true.

MR. RUBENSTEIN: Now you were in the financial service world, at Capital One, among other places. So why did you give up making money for this kind of activity?

MS. SAINT JUSTE: Well, I would just say, David, first, that there is an assumption that when people leave business world, you know, to go lead social enterprises, that they may give [up] money. They do give up some money, but not always a lot of money. And for me, it was really about a life calling of investing forward. This country, as an immigrant, I will say this country has been really, really good to me. I have had the privilege of raising two incredible daughters who are going on to do great things for this country, and you know, in the Jewish saying of tikkun olam,⁴ I've added tikkun olam shalom into it as a study of peace, and I think it was really important to me, and I thought that it was a deep calling to go and do this work.

MR. RUBENSTEIN: So where do you get your money from? Who are your principal donors, and what is your budget each year?

MS. SAINT JUSTE: So as an organization, \$180 million organization throughout the country. About 70 percent of our revenues depend on corporate partners engaging with us to develop this diverse pipeline of talent, and then, you know, we're still in the contributed revenue business for about 30 percent of it.

MR. RUBENSTEIN: All right. So, if somebody wants to make a contribution to Year Up, what do they do? Do they call you, and do they email you? How do they give you money?

⁴ From Judaism, an aspiration to behave and act constructively and beneficially; literal meaning - "world repair"

MS. SAINT JUSTE: They can either call us, but the best way now with, you know, the social distancing is certainly go on our website. There's a lot – and we actually launched our new platform, our new website, and there – you know, I think they will be guided in terms of how to make contributions, and we appreciate it in advance.

MR. RUBENSTEIN: So, in it – in the Washington area each year, what kind of revenue from contributions do you get? How much money do you get a year from the Washington area for what your activities are?

MS. SAINT JUSTE: So, businesses contribute about \$8 to \$10 million with internship revenues, and then we are able to get about \$2 to \$2.2 million in contributive revenues.

MR. RUBENSTEIN: OK. And so, what has been the most gratifying part of doing this for you? Is it actually seeing people from start to finish, or what has made this as pleasurable as it has been for you?

MS. SAINT JUSTE: So, for me, David, it's really – at the center of this work, for me what's most important is that – it's two things, right? It's representation matters, right, and having people of color moving into roles that they did not think were possible for them is really rewarding. And then at the other end of it is the social movement that says that as people grow in their careers, we're seeing a greater and greater movement of businesses rallying behind the tenets of providing opportunity for people who normally otherwise would have been left behind.

MR. RUBENSTEIN: So, when you place people at various firms in, let's say, the Washington area, what percentage of those people are still at that firm a year later?

MS. SAINT JUSTE: Greater than 90 percent.

MR. RUBENSTEIN: OK. And the people that do not succeed in staying at the firm, they just didn't have enough training, or the place wasn't good at providing mentoring – what is the biggest challenge you have after you place people?

MS. SAINT JUSTE: Well, you know, young people also are transient, right? Sometimes they'll go into an organization and decide that there is a promotion for them elsewhere, or they negotiate higher salaries for themselves, so they don't always leave because of a quote/unquote, "bad story." There are good stories behind it. And, you know – as you know as somebody who has invested in business heavily, human capital – you just have to work with it, and sometimes it doesn't work, and there's a variety of reasons behind it.

MR. RUBENSTEIN: So sometimes people say, I don't have a lot of money to give, but I have my time. I'd like to volunteer. Do you have any activities for people who want to volunteer, or there's really no place for that?

MS. SAINT JUSTE: Absolutely. We welcome everyone. We have lots of ways that people can get engaged: mentoring a young person, talking to them to share their own journey so that people can understand how people would move from A to Z; you know, just taking a young

person out, you know, for an office visit so that they get a sense of how that all works. And so, there's millions of ways, and in the Washington area we work with over 300 volunteers.

MR. RUBENSTEIN: So, let's suppose I'm a young person who wants one of these jobs that you might be able to help me get. Do I pay you a fee for –

MS. SAINT JUSTE: No.

MR. RUBENSTEIN: No.

MS. SAINT JUSTE: Our services are completely free, and in fact, we pay a stipend during – which is more of a transportation stipend for young people during their learning and development phase, and while they are on their internship, they also earn a stipend.

MR. RUBENSTEIN: And the racial composition of the people you place, what would you say it is?

MS. SAINT JUSTE: Ninety-six percent of them are Black and brown.

MR. RUBENSTEIN: OK. And today, would you say that the Washington business area is contributing in ways you think is appropriate, or do you think the Washington business community could do more?

MS. SAINT JUSTE: We could do more. I think we could do more. I think in the Washington, D.C. area what we've seen is what we call – we have a report that we published with Harvard Business School and Accenture that is called “Dismissed by Degree.” We live in an area that is highly educated and so people tend to – the degree inflation in the Washington area is deep.

We've been very successful in growing our numbers of corporate partners, but I really do think that there is more we can do.

MR. RUBENSTEIN: The average age of the person you place is what?

MS. SAINT JUSTE: Eighteen to 24.

MR. RUBENSTEIN: And the average education level of the persons you place is what?

MS. SAINT JUSTE: High school.

MR. RUBENSTEIN: OK.

MS. SAINT JUSTE: High school achievement.

MR. RUBENSTEIN: And do the organizations where you give people the opportunity to work, do they pay you a fee – or do you get compensated by them?

MR. SAINT JUSTE: Yes. They pay us a fee.

MR. RUBENSTEIN: I see. OK. So, all right, let me just conclude with what would you say is the most important thing members of the Washington business community should know about Year Up?

MS. SAINT JUSTE: Well, I just think that, at the end of the day, what we're looking forward to is being a partner in this business community to help deliver talent. And it doesn't mean that we're doing it alone. We work very closely with many other workforce development – you know, workforce development in this region. And instead of spending the money to recruit the talent, and source it, and train it on their own, why not engage with us and let us find great, diverse talent that can make great contributions to organizations?

MR. RUBENSTEIN: OK. Guylaine, thank you very much, and I appreciate your taking the time to explain this to us. And good day.

MS. SAINT JUSTE: Thank you very much for having me.

MR. RUBENSTEIN: OK. So this will be the end of our program today, and I want to remind everybody that if you go on our website you can see this entire program – a rebroadcast – on EconomicClub.org, and to remind you that on July the 8th – Wednesday – we'll have Hans Vestberg, chairman and CEO, Verizon Communications, plus a few other guests as well.

Thank you very much for joining us this morning.



Michael F. Neidorff
Chairman, President and CEO
Centene Corporation

Michael Neidorff is Centene Corporation's chairman, president and chief executive officer. A recognized leader in the industry, he is committed to building a multi-national healthcare enterprise while upholding Centene's local approach to healthcare. He demonstrates a history of successfully implementing programs and services under Medicaid, Medicare, and commercial managed care. Under his leadership, Centene has grown from a \$40 million corporation to a publicly traded (NYSE: CNC), FORTUNE® 100, diversified, healthcare enterprise.

Michael Neidorff became president and chief executive officer of Centene Corporation in 1996. The company established operations in all 50 states – to become the largest Medicaid managed care organization in the U.S. and the top insurer in the Health Insurance Marketplace. Revenues are expected to exceed \$110 billion in 2020. Centene now delivers high-quality and accessible healthcare to nearly 1 in 15 individuals across the nation.

Centene provides accessible, cost-effective coverage to the rising number of under-insured and uninsured people in communities across the U.S. Under Mr. Neidorff's leadership, Centene has expanded from operating Medicaid health plans solely in Wisconsin and Indiana, to operations in every state, serving more than 23 million managed care and TRICARE eligible individuals.

Mr. Neidorff's record of transformative leadership is proven in the healthcare industry. In 1985, he started Physicians Health Plan of Greater St. Louis, a subsidiary of UnitedHealth Group. He served as the president and chief executive officer from 1985-1995, and grew the plan to be one of UnitedHealth Group's most successful and profitable plans in the country. From 1995-1996, he served as the regional vice president of Coventry Health Care, Inc., a publicly traded managed care organization, and as the president and chief executive officer of one of its subsidiaries, Group Health Plan Inc. in St. Louis. He also served in international senior executive positions at Miles Laboratories/Bayer AG.

Michael Neidorff dedicates significant time to civic organizations. He is a board member of the National Urban League and served as its chairman from 2014-2019. In 2015, he was inducted into the Hall of Fame for Junior Achievement of Greater St. Louis. He served as a member of the board of directors for the Greater St. Louis Boy Scouts of America since 1990, serving as Pathfinder district chair, vice chairman and chairman of the Special Needs Committee, vice president of Finance, and council president. Mr. Neidorff is a member of the board of trustees for Trinity University in San Antonio, Texas, his alma mater, and previously served as chairman of the board.

Community Involvement and Recognition

Having an appreciation for the arts, Mr. Neidorff is also involved with several major arts institutions. He sits on the board of the St. Louis Symphony Orchestra, where he previously served a term as chairman and is currently a trustee on its Endowment Committee. As a trustee for the Opera Theatre of St. Louis, he serves on the Institutional Development Committee and previously served as a vice chairman. Mr. Neidorff serves as Treasurer of the John F. Kennedy Center for the Performing Arts Board of Trustees and member of the International Committee on the Arts. He previously served the Kennedy Center as a 2005 trustee, vice chairman of its Fund Board, chairman of the Education Committee, and co-chair of the International Committee on the Arts.

Michael Neidorff has been recognized by multiple organizations for his business leadership as well as his community and civic involvement. He was named one of the "100 Most Influential People in Healthcare" by *Modern Healthcare* magazine in 2018 and 2019. In January 2020, he and his wife, Noémi Neidorff, received the Whitney M. Young Humanitarian Award from the Urban League of Metropolitan St. Louis and Saint Louis University. In 2019, he was honored at the *St. Louis Business Journal's* C-Suite Awards for his contributions to business and the St. Louis community. He was honored with the *St. Louis Post-Dispatch* Citizen of the Year Award in 2017.

Mr. Neidorff holds a bachelor's degree from Trinity University and a master's degree from St. Francis College. He lives in St. Louis, with his wife, Noémi. They have two children.



Dr. Timothy Sands
President, Virginia Tech

Timothy D. Sands is the 16th president of Virginia Polytechnic Institute and State University, joining the university in June of 2014. A scientist, educator, and inventor, he has dedicated much of his career to advancing the impact of research and innovation in public education. As president, he has engaged the university community in a visionary plan to advance Virginia Tech's role as

a global land-grant institution, confronting the commonwealth's, the country's, and the world's most challenging problems. The initiative, called "Beyond Boundaries," seeks to define Virginia Tech's role a generation into the future and align the educational experience with the needs and opportunities that will be created by changing world economies and the evolving landscape of higher education.

In collaboration with the provost and academic leadership, President Sands has initiated foundational projects across the university to align Virginia Tech's trajectory with the Beyond Boundaries vision. For example, Destination Areas are thematic focus areas that leverage the university's signature strengths, attract talent and generate creative energy that extends across the disciplines. The university's residential campus in Blacksburg is being reimagined to support a modern land-grant mission and provide robust and adaptable infrastructure for continued growth in transformational research and community engagement. Virginia Tech Carilion's rapidly developing Health Science and Technology campus in Roanoke is catalyzing economic opportunity in the Blacksburg-Roanoke region and enhancing NIH-funded research. In 2018, President Sands announced the creation of a 1-million-square-foot Innovation Campus in Northern Virginia to support the commonwealth's economy with leading programs in computer science, software engineering, machine learning and artificial intelligence. The Innovation Campus was the centerpiece of the education proposal that was a critical factor in Amazon's decision to locate a new east coast headquarters in Arlington, VA. In 2019, Virginia Tech announced a partnership with Children's National Hospital to develop a biomedical research facility at the Children's National Research & Innovation Campus in Washington, D.C.

The Beyond Boundaries vision has evolved into a new strategic plan for the university, The Virginia Tech Difference, Advancing Beyond Boundaries. Developed in partnership with the campus community, the plan establishes four strategic priorities: Advancing Regional, National, and Global Impact, Elevating the Ut Prosim (That I May Serve) Difference, Being a Destination for Talent, and Ensuring Institutional Excellence. The plan supports Virginia Tech's ability to anticipate and adaptively respond to changing landscapes in education, industry, and outreach.

Throughout his tenure at Virginia Tech, President Sands has championed InclusiveVT, a program he launched to provide leadership, collaboration, guidance, and resources to support and accelerate the implementation of inclusion and diversity goals throughout the university

community. InclusiveVT supports the imperative of inclusion and diversity as key components of a university ecosystem rich in opportunities for experiential learning, cross-disciplinary engagement, and the development of cultural awareness and empathy.

President Sands' vision for Virginia Tech embraces the university's heritage of service and community and its motto, *Ut Prosim* (That I May Serve). Virginia Tech students will graduate with disciplinary mastery, technology literacy, cultural competency, resilience, empathy for others, and the passions and strengths needed for a life and career of impactful service to humanity.

Before coming to Virginia Tech, President Sands served as executive vice president for academic affairs and provost of Purdue University in West Lafayette, Indiana. He was acting president during the summer and fall of 2012, before Mitchell E. Daniels became the 12th president of Purdue.

He earned a bachelor's degree with highest honors in engineering physics and a master's degree and doctorate in materials science from the University of California, Berkeley. He joined the Purdue faculty in 2002 as the Basil S. Turner Professor of Engineering in the schools of Materials Engineering and Electrical and Computer Engineering. Prior to becoming provost, he served as the Mary Jo and Robert L. Kirk Director of the Birck Nanotechnology Center in Purdue's Discovery Park.

From 1993 to 2002, President Sands was a professor of materials science and engineering at the University of California, Berkeley, and before that, he performed research and directed research groups at Bell Communications Research (Bellcore) in Red Bank, New Jersey. Throughout his career, he has participated in and led research teams and academic programs that have been characterized by open collaboration across a wide array of disciplines.

He has published more than 250 refereed papers and conference proceedings and has been granted 21 patents in electronic and optoelectronic materials and devices. His recent research efforts have been directed toward the design and development of novel nanocomposite materials for environmentally friendly and cost-effective solid-state lighting, direct conversion of heat to electrical power and thermoelectric refrigeration. He holds faculty appointments in the Bradley Department of Electrical and Computer Engineering and the Department of Materials Science and Engineering in the College of Engineering, with research interests in microelectronics, optoelectronics, and nanotechnology. He is a fellow of the Institute of Electrical and Electronics Engineers, the Materials Research Society, and the National Academy of Inventors, and a member of the Economic Club of Washington, D.C. President Sands serves on the Board of Directors for the Innovation and Entrepreneurship Investment Authority, the Center for Innovative Technology, the Northern Virginia Technology Council, the Business Higher Education Forum, and is Chair of the Board for the Virginia Space Grant Consortium. He also serves on the Board of Visitors for the National Intelligence University. Recent awards and honors include The Edward Bouchet Legacy Award, the National GEM Consortium's Academic Leadership Award, the Virginia Latino Higher Education Network's Leadership Impact Award, and the Roanoke-Blacksburg Technology Council's Regional Leadership Award.

President Sands is joined at Virginia Tech by his wife, Dr. Laura Sands, a professor of gerontology in the Department of Human Development at Virginia Tech. All four of their children graduated from Purdue and are proud members of the Virginia Tech community. Follow President Sands on Twitter and Instagram at



**Philip D.M. de Picciotto
Founder and President, Octagon**

Born in New York, de Picciotto attended Amherst College and the University of Pennsylvania Law School.

In 1983, de Picciotto co-founded Advantage International, which later became Octagon. Octagon is a leader in sports marketing, talent representation. For three decades de Picciotto has helped build Octagon into the global leader in talent representation, property ownership, event

management and sports and entertainment marketing. He has built and managed many recognizable names and companies worldwide including Super Bowl Champions, Olympic gold medalists, and royalty.

Some of the many accolades de Picciotto has received include Advertising Age’s “The Marking 100”, the Sporting News’ “Top 100 Most Powerful People in Sports”; and Sports Business Journal’s “20 Most Influential People: Sports Agents” and “Top 50 Most Influential People in Sports Businesses.” He has also led a successful effort to remove tobacco sponsorship from professional tennis, is a board member on the International Tennis Hall of Fame, and sits on the board of directors for the Right to Play.



Mark Ein
Founder and CEO, Venturehouse Group
Chairman and CEO, Citi Open

Mark D. Ein is an investor, entrepreneur and philanthropist, who has created, acquired, invested in and built a series of growth companies across a diverse set of industries over the course of his 25-year career. During this time, Mr. Ein has been involved in the founding or early stages of six companies that have been worth over one billion dollars and has led over \$1.5 billion of private equity, venture capital and public company investments.

A native of the Washington area, he actively supports many community, charitable and cultural organizations and currently serves on the boards of the DC Public Education Fund (as Chairman since 2010, the Fund has raised \$120 million of

philanthropic support for DC Public Schools), the Smithsonian National Museum of Natural History, International Tennis Hall of Fame, DC College Access Program (DC-CAP), and DC Policy Center (Co-Founder). He is also a Presidential Appointee to the board of the United States Tennis Association (USTA) (where he previously served for two terms as a member at large and then a term as Vice President of the Board).

He has won numerous awards including the Washington Business Hall of Fame 2018 Laureates Award, Washington DC Business Leader of the Year from the Chamber of Commerce, the Jefferson Award (the nation's highest honor for public service), Washington Business Journal Top Corporation for Philanthropy (Small Companies), Washington Business Journal Power 100, Entrepreneur of the Year Awards from Ernst and Young and the National Foundation for Teaching Entrepreneurship (NFTE). In September 2009, Washington DC Mayor Adrian Fenty presented Mr. Ein with the Key to the City, highlighting not only his Washington Kastles success on the court, "but for their commitment to the District's communities and our youth."

Prior to starting his firm, Mr. Ein worked for The Carlyle Group, Brentwood Associates and Goldman Sachs. He received his BS in Economics with a concentration in finance from The Wharton School of the University of Pennsylvania and his MBA from The Harvard Business School.



Guylaine Saint Juste
Managing Director, Year Up

Guylaine is the Executive Director of the National Capital Region of Year Up. She provides strategic oversight, cultivates a culture of purpose and significance, and creates a learning organization where a team of professionals provides advice and expertise to thousands of students to help them prepare for careers, while working with Fortune 500 partners that provide

opportunities. Her passion is to help her team, students, companies, her community to learn, grow, thrive and prosper.

Guylaine counts over 25 years in the banking industry in various leadership roles. Most recently, she was the Business Banking Virginia Market Executive at Capital One Bank for several years. She holds a Bachelor's Degree from George Mason University and a Graduate Degree in Retail Banking Management from the University of Virginia.

Besides co-chairing the George Mason University School of Business Women Symposium; she serves on the board of DCGoodwill, the Community Business Partnership, the Community Coalition for Haiti, and Adventure Theater, she chaired the board of Prince William Court Appointed Special Advocates (CASA), and was co founder and President of the Board of the Women's Alliance for Financial Education (WAFE).

Guy has been recognized as a Woman Worth Watching by Profiles in Diversity Magazine, received the Hispanic Heritage Foundation Corporate Citizen Award, and The President's Award from the Fairfax Bar Association.