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### Brand new experience

*MBA students at IU's Kelley School of Business are learning real-life applications, retooling the marketing of a 40-year-old product for The Scotts Co.*

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BLOOMINGTON, Ind. -- Sundar Venkataraman's three-month summer internship at Sara Lee gave him a shot of practical experience before he began his second year as an MBA student at Indiana University's Kelley School of Business.

But now, back on campus, Venkataraman is doing work that puts him even closer to a career in the consumer goods industry. He is part of a six-student team managing a **brand** of plant food called Osmocote for The Scotts Co., the Marysville, Ohio, maker of Miracle-Gro, Turf Builder and other horticultural products.

Osmocote is a seedling compared with those green giants. But Venkataraman and his teammates, under the leadership of former Scotts executive and IU alumnus Bob Stohler, have complete ownership -- and responsibility -- for Osmocote's marketplace performance. Scotts has, in essence, outsourced the **brand** to them.

"It's a fantastic, real-life application of the theory that we learn (in class)," Venkataraman said.

His classmate, John Price, added, "You're not playing around with wild ideas. You're executing things in a live-fire situation."

The partnership between the Kelley school and Scotts -- known as Bloomington **Brands** -- is perhaps the newest and boldest effort among business schools to put students in real-world situations. That's the goal of the case studies, student research projects for actual companies, and computer simulations that business schools use.

"It's all trying to give you a feel of what it's really like. What you're not getting is the irate phone call from Wal-Mart because their shipment was wrong," said Kelley marketing professor Jonlee Andrews, who grades the six students.

But Bloomington **Brands** is as real as it gets. And Andrews says it gives the Kelley school's marketing program an edge. Last week, it was ranked the No. 5 marketing program in the nation by The Wall Street Journal and Harris Interactive in a survey of business graduate schools.

Experiential learning, the survey showed, is increasingly appreciated by corporations that recruit freshly minted master of business administration graduates. An emphasis on practical **experience** placed the University of Michigan as the top nationally focused MBA program in the Journal-Harris poll, which surveyed 2,800 corporate recruiters.

Purdue University's Krannert School of Management, which was named the nation's top regionally focused MBA program in the same survey, also has boosted its attention on applications, not just abstractions. Four years ago, it launched the Innovation Realization Laboratory, which pairs MBA students with doctoral scientists to try to bring **new** technologies closer to market.

Purdue also has a student investment fund, using money donated by an alumnus, and a newly created venture capital fund, also run by students.

Students at the University of Notre Dame's Mendoza College of Business use \$3 million of the university's endowment to invest. And this past year, students helped university staff strategize during a **new** bond issue.

"Experiential learning is a crucial element of an education today," said Ron Steuterman, director of Purdue's innovation lab. "They have to pull the stuff out of the book and really make it work."

That's exactly the thinking at Bloomington **Brands**. The students -- one finance and five marketing majors -- have about \$1 million at their disposal to try to grow Osmocote's revenue beyond its current \$12 million.

Bloomington **Brands** is the dream of Stohler, who retired from Scotts in 2003 after eight years there, two as executive vice president of North American operations.

Stohler had an affinity for Osmocote, a 40-year-old time-released, granular product. It traditionally was sold to professional growers but more recently marketed to consumers. When Stohler headed Scotts' international unit, he noticed that Osmocote was more popular among "amateur" gardeners in Europe and Australia than in North America.

"That always troubled me," Stohler said. He couldn't spare the time to focus on the tiny **brand** when he had Miracle-Gro, Turf Builder and Roundup to keep track of. But, he told Jim Hagedorn, Scotts' chief executive, "when I retire, I'm going to fix it. I'm going to fix Osmocote."

Stohler sketched his plans on a newspaper during a flight to California in January 2002. Fourteen months later he approached IU, floating the idea during a meeting in Bloomington with Andrews and Dan Smith, chair of the marketing department.

"It took Bob about one minute to convince us it was a good idea. From then on, it was a conversation on how to execute it," said Smith, now Kelley's acting dean.

Stohler and Andrews had to do a bit more selling to get Scotts to hand over the small but profitable Osmocote. Hagedorn lent crucial support, Stohler said, even winning over internal skeptics.

"It was a **brand** that wasn't getting that much attention inside the organization," said Scotts spokesman Jim King.

Indeed, Stohler estimated that in sheer man-hours, Osmocote receives 10 times more attention now than it did previously at Scotts.

He spends about 40 hours a week and each student another 10 to 12 at their third-floor office overlooking Bloomington's courthouse square.

The students travel monthly to Scotts' headquarters in Ohio. And this week, Stohler hopes, some will observe focus groups in Atlanta and Philadelphia.

Two students, David Rhoades and Beth Chrisco, worked full time as interns for Bloomington **Brands** during the summer. In that time, Chrisco helped to develop a **new** cap for the Osmocote product. It solved a problem of water getting into the bottle and turning the product soupy, and it didn't cost any more.

"It makes you really feel like you're a part of the company," Chrisco said.

Eventually, Andrews would like Bloomington **Brands** to include five products and roughly 30 students. At that size, Stohler also would need comrades to manage the operation.

To that end, she has talked with several companies that already use Kelley MBA students to do projects and studies for them. And Stohler is talking to contacts from his years in the industry to get a **new** product in Bloomington **Brands'** stable.

His pitch? A company gets significantly more attention paid to one of its orphan **brands** and gets to work closely -- and possibly recruit -- some of the best marketing students in the country.

"If we got to the point where we've done several **brands**, then I think we'll have people knocking on our door," Stohler said.

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