

# Rotary Notary

News from East Wichita Rotary Club

November 18, 2009



## An Introduction to Market-Based Management

While the book value of a corporation in the Standard and Poor 500 has increased ever so slightly since 1960, the book value of Koch Industries has exploded during that same period.

Speaker Tony Woodlief attributes their success to Market-Based Management. It is a management philosophy that enables an organization to succeed long-term by applying the principles that allow a free society to prosper.

A study of the 2009 Index of Economic Freedom, created by the Wall Street Journal and the Heritage

Foundation, reveals this: per capita income is highest in those countries with the greatest economic freedom.

In other words, prosperous societies allow value-creating entrepreneurs to sell products and services that consumers demand. Those same qualities are embraced by successful organizations. As Charles Koch said in his best-selling book, *The Science of Success*, "Even successful companies struggle to keep up because, given human nature, we tend to become complacent, self-protective and less innovative as we become successful. It is often more difficult to overcome success than adversity. At Koch Industries, we have countered this tendency, in part, by relentlessly applying our business philosophy. It teaches that we must continually drive constructive change in every aspect of our company or we will fail. As a result, we constantly pursue innovations and opportunities through internal and external development and acquisition. Similarly, we shed businesses and assets that are unprofitable or worth more to others. We believe it is essential to drive creative destruction internally, otherwise creative destruction will drive us out of business."



Susan Addington introduced today's speaker, Tony Woodlief. Both are colleagues at Koch Industries, where Market-Based Management began.



**Let's Talk Turkey:** Thanks to the generous Rotarians who contributed \$4,405 this year for Thanksgiving dinners. That's a record! Delivery teams will meet at 2:30 PM on Wed. 11/25 in the parking lot of Hillside Christian Church, 8330 E Douglas. You will receive your dinner boxes and a map of where to make your deliveries. **MIXER** afterward at Jose Pepper's around 4:30.

## DR. VERBOSITY

See if you can translate this well-known maxim, rewritten for a political speech by that great communicator, Dr. Verbosity:

*One should diligently exercise proper speculation upon that situs that one will eventually tenant if one propels oneself into the aerosphere.*



Greeter: Janet Pack ♦ Invocation, Flag Salute and Four-Way Test: Randy Strassburg ♦

Membership Minute: George Fahnstock ♦ NO MEETING on November 25 or December 2

## East Wichita Rotary Silver Jubilee/ Christmas Party

Our past presidents are planning a fun gathering that combines a holiday celebration along with a look back at East Wichita Rotary's 25 years of service in this community. *Please* join in by making your reservation, ordering your main dish (chicken, steak, or vegetarian), and sending your check (\$35 per person) to Cindy by Monday, November 23.

*A Salute to our Silver Jubilee*

*Thursday, December 3*

*Wichita Marriott*

*6:30 - Cocktails*

*7:30 - Dinner*

*8:15 - Program*

## Christmas Party for Wichita Children's Home

We East Wichita Rotarians have a special place in our hearts for children. For several years we have hosted a Christmas party where we help residents of the Wichita Children's Home decorate small trees and a photo can give as a gift. We then host a pizza lunch at the home.



Karen Norton makes a young girl's day by helping her create her own Christmas tree to keep forever.

This year's party is on Saturday morning, December 5 at 10:00 at the Wichita Children's Home, 810 N. Holyoke. Plan to be there until around noon.

If you haven't signed up but would like to help, please call Anne Corrison at 461-2004 or email her at [corrison@knightfoundation.org](mailto:corrison@knightfoundation.org)

## Dr. Verbosity Translation:

*"Look before you leap."*

*Note: Rotary Notary assumes no responsibility if the feelings of politicians or their speechwriters are hurt. Dr. Verbosity will appear in this publication from time to time as his schedule permits.*