# ARIEL

JOHN W. ROGERS JR., founder of Ariel Capital Management in Chicago, is commended as a business and community leader. At right, Rogers meets with staffers (l. to.r.) DeShay Gould: John Miller, Jason Tyler, Franklin Morton and Touk Sinantha. At bottom, he and Ariel President Mellody Hobson pose near signage that proclaims the company's investment strategy.

### JOHN ROGERS:

## Setting New Standards at the Top of the Money Market

By Lynn Norment Photography by Vandell Cobb

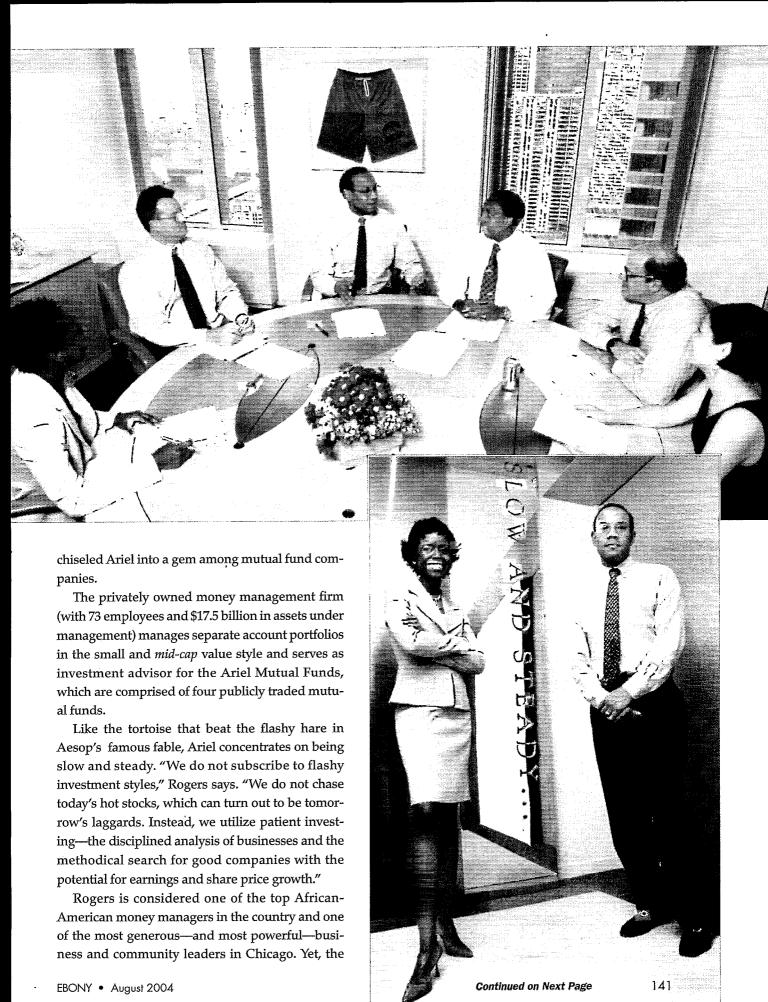
Othern thelp but not calle fortoises. They demand attention and the your imagination. Tortoises are among the first images that greet visitors to the offices of John W. Rogers Ja and his Aviet Capital Management investment firm.

Yes, there's the polished steel and glass wall with the etched. Slow and Steely" slogan asyoustep of a Chicago vator on the 29th floor of a Chicago skysuaper. Your eyes are drawn to the Incredible with overlooking down-

town Chicago, Grant Park and the famed lakefront. Through an artful glass wall, you see a conference room outfitted with red leather chairs that add punch to neutral walls, flooring and tables. You notice the efficient yet cordial manner in which the diverse staff moves about the space that is decorated with works of African-American artists.

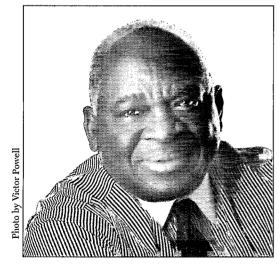
Still, the tortoises beg for attention. They are etched into walls and doors. Clusters of them sit on desks, shelves and tables. There are tortoises made of gold, silver, crystal and precious stones, but also of pewter, clay, glass and wood. Others are stuffed, painted and carved.

But make no mistake: These ubiquitous symbols do not indicate that Ariel Capital Management and its publicly traded Ariel Mutual Funds are plodding slowly behind the times. Rather, the company's mascot symbolizes the financial strategy—slow and steady wins the race—that has









At community event (top), Rogers speaks during a fund-raiser he hosted for the Family Focus agency. He congratulates the events' honoree (above, center), his longtime friend Arne Duncan (l.), CEO of Chicago Public Schools, and Duke University basketball coach Mike Krzyzewski, who was the speaker. Bert N. Mitchell (above) is chairman of the board of Ariel Mutual Funds and also chairman and CEO of Mitchell & Titus, LLP, the nation's largest minority-owned accounting firm.

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humble and unpretentious 44-year-old lacks the arrogance that pervades so many who have accomplished much less. He currently is chairman of the board of the Chicago Urban League, a board member of the University of Chicago and the Rainbow/PUSH Coalition, and he previously served six years as board president of the Chicago Park District. He also has served on a number of corporate boards, and now sits on the boards of McDonald's Corp., AON Corp. and Exelon Corp.

"Working with John is an incredible opportunity to learn every single day," says Mellody Hobson, Ariel's president who began working at Ariel in 1990 as a 21-year-old intern and was hired full-time the next year after earning a bachelor's degree from Princeton. "John is probably the most generous and thoughtful person I know. He deeply cares about people. He leads by example and he challenges every ounce of me on a regular basis. In tough situations, I ask myself, 'What would John do?' I use him as a moral and intellectual guide as to how to proceed, in business and life situations.

"He is respected and adored by people," says Hobson, who is financial correspondent for TV's Good Morning America."To borrow from that popular ad, nobody doesn't like John Rogers. People want him to succeed."

That was evident in 1983 when Rogers was just 24. Armed with youthful idealism and a Princeton degree, he convinced family and friends to invest in his dream. With \$200,000, much of it from his mother, the late civic and

business leader, Jewel Lafontant, and his own savings, he founded Ariel, the first Black-owned money management firm in the U.S.

"I remember having dinner with Mr. [John H.] Johnson and talking about my vision to start an African-American-owned money management company for institutions and a mutual fund company for individual investors," Rogers says. "I told him that our focus would be on small and midsized companies so we could invest for the long run," he recalls. "The vision is still the same today. Now, 21 years later, when I go back and look at my original business plan, which was just two pages long, it still fits today.

"This is what I thought could happen if we did it right," he says when asked about Ariel's success. "I used to talk about this with my mom all the time; everyone knows about the brands EBONY and Jet. I wanted people to believe that Ariel Mutual Funds could be that kind of brand where African-Americans all around the country, as well as White Americans, would know that when it comes to mutual funds, you think about Ariel. And that you understand that our long-term investing approach could work for you too ... Well, we're getting there. I think what has helped, too, is the [tortoise] and the patience."

In addition to patience, Rogers made community service a part of his vision for Ariel. "We've tried to show that community service is the right thing to do, and that it also creates an environment where people feel there is a mission other than just making money. You can reach out and help others at the same time. That

#### JOHN ROGERS continued

helps you attract good people and makes them want to stay because they feel that it's not just your run-of-the-mill firm."

Ariel's employees are shareholders in the company, and, not surprisingly, there is very little turnover.

"When we moved our offices [from its former location], the whole staff voted," he says. "When we have a company retreat, everyone is invited. We're trying to build a culture, an organization, and that takes time. It can't be done overnight. So we think about the business from a long-term perspective—how we treat our customers, how we treat suppliers, how we treat our employees. It's all a long-term view. Relationships matter here, and they are not expendable. That's how patience fits in."

Rogers acknowledges that his theme of patience was "borrowed"from his legendary Princeton basketball coach, Pete Carril. "We would pass the ball around and around until we got the shot that we were pretty sure we could make, and often the fans would yell 'boring!' The style is slow and steady, but it wins."

Though he was captain of the Princeton team, he says, "I wasn't a great player, but it was good to be part of a winning program."

Those leadership qualities continue to define and guide Rogers' life. His joy among community projects is the Ariel Community Academy, a Chicago public school that is supported by Ariel's resources. Many staffers volunteer at the school, which has a financial curriculum and requires parents of the 350 students to be involved.

Rogers also works to "challenge our community to be more involved

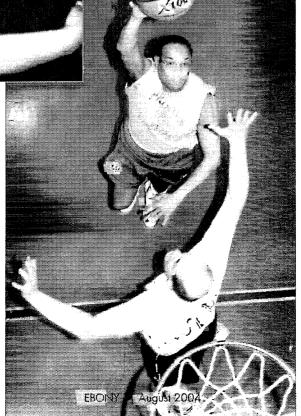
in the stock market and think about investing for the future." He encourages African-Americans to invest in 401(k) programs, plan for retirement and save for their children's education. He and his executives speak to church, school and professional organizations. Rogers also encourages his employees to volunteer, and several sit on prominent civic boards. "Volunteerism is very important," he says. "We encourage everyone to be engaged in it."

Rogers and his wife, Sharon Fairley Rogers, whom he met while at Princeton and reconnected with several years ago, are major supporters of Chicago community institutions.

But Rogers doesn't stop there. He is also known for his diligent work in Chicago politics. He is now



A family man, Rogers, whose life is as diversified as his investments, is shown with his wife, Sharon Fairley Rogers (top). He has a close relationship with daughter Victoria (above), his 14-year-old offspring from a previous marriage to business executive Desiree Glapion Rogers. At right, Rogers takes a break during the workday to shoot hoops with Roger Schmitt, Ariel's chief information officer. John Rogers is an avid and competitive basketball player who is quick to show video of him beating Michael Jordan in a one-on-one session at Jordan's Fantasy Basketball Camp.





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In Ariel's reception area, Rogers poses with a sculpture of a slow and steady tortoise outpacing a hare. Rogers has built a multibillion-dollar corporation on the slow-and-steady concept.

#### IOHN ROGERS Continued

working with Illinois State Senator Barack Obama's U.S. Senate campaign. "Political activism is something that is very important to me," he says.

On the professional level, Rogers wants people to know that Ariel stands for excellence. "We want people to know that this firm cares about being the best," he says. "We hire great people, we deliver great performance. This firm demands the best and doesn't accept second best in anything that we do. I learned that from my mom. She demanded excellence. That rubbed off on me."

Of his father, retired judge John Rogers Sr., one of the few remaining members of the original Tuskegee Airmen, he says: "My dad is a very conservative person and drilled into me that you must live up to the commitments that you make to people. You always do what you say you are going to do. When it comes to business, that is a very important value."

These are values and interests that Rogers is passing on to his 14-yearold daughter, Victoria. She spends summers working at Ariel, but he emphasizes to her that she should pursue whatever career path she chooses.

In the meantime, her dad is collecting tortoises and growing his clients' investments in the manner he has proven is best. After all, slow and steady wins the race. And beneath the affable, unpretentious exterior beats the heart of a very competitive John Rogers.



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