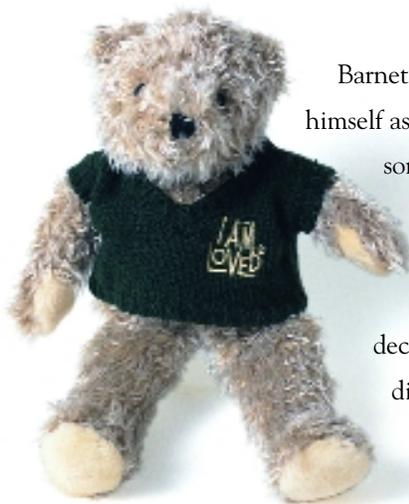


Major Gifts Coming to the Stowers Institute



Barnett Helzberg Jr. characterizes himself as an indecisive fellow, even sort of wimpish, a man who argued with the face in his shaving mirror for months before deciding to sell the family diamond business to Warren Buffett. But it took only a quick tour of the new administrative headquarters of the Stowers Institute and the exchange of a few words with the first members of the scientific research team for him and his wife, Shirley, to promise a half-million-dollar contribution to the Institute.

The next day, one of the “I am loved” teddy bears that are the trademark of the Helzbergs’ philanthropy, was delivered to Jim Stowers, president of the Institute, with a letter tucked in its sweater making the gift official.

Within days of the Helzberg gift, William H. Dunn Sr., patriarch of a family construction empire and one of the movers and shakers in Kansas City

philanthropy, also volunteered a half-million-dollar donation. And American Century Companies followed shortly with a \$1 million gift.

These gifts – from a couple who say they get more out of their generosity than the recipient, from an old Kansas City business with a policy of tithing, and from a major investment firm ending an exceptionally good year – are the latest, and largest, of a growing list of donations to the Stowers Institute in advance of organized fundraising. The Stowers Institute expects to begin active fundraising after the first laboratories are opened on the research campus toward the end of 2000.

Among others who have already donated are people who have seen loved ones die of the gene-based diseases that Stowers research may someday help defeat, corporations making in-kind gifts, and – in one of the more unusual examples – a California advertising agency that decided to make a cash donation to the Stowers Institute instead of sending Christmas fruitcakes to some of its clients.

Articles about donors begin on page 2.

ALSO . . .

A fourth scientist is named to team of laboratory heads at the Stowers Institute.

Article on page 7



Giving Away Warren Buffett's Money with Style

If you ask Barnett Helzberg Jr. why he and his wife, Shirley, are donating a half-million dollars to the Stowers Institute, he may begin by telling you about the charter school that they are underwriting just six blocks south of the Institute campus in Kansas City. Then he will mention the Institute's mission – genomics research to help uncover the causes of a number of diseases – and its commitment to help raise the quality of science education in surrounding schools.

"I like to think that one of these kids is gonna find a cure for cancer," he says, "and another's gonna find a cure for the common cold. And they may very well do it by going down the street and working for Mr. Stowers."

This helps explain why – on the night of Nov. 18, 1999, when the Stowers Institute celebrated the completion of the administrative building on its research campus – the Helzbergs decided to make their gift. Although a small trickle of gifts had been coming into the Institute prior to that, the Helzbergs' gift – and their enthusiasm for speaking publicly about it – has highlighted the intention of the Stowers Institute to create an ongoing fundraising campaign once the first phase of the research campus is open for use by scientists.

"The Stowers Institute is one of the greatest things that's ever happened in the history of Kansas City," Mr. Helzberg said in an interview a few days later. "If it were happening somewhere else I'd be jealous. It's just one of a number of miracles that have happened here that put this city in a class by itself. I can't thank the Stowers family enough for what they're doing."



Barnett and Shirley Helzberg

(photo by V. Craig Sands)

"Nobody asked for the money. I thought, frankly, that it was healthy to come forward because I think some people's attitude is going to be to let Stowers do it. And the reality is that a lot of us need to get behind it, which is much healthier for the community."

Shirley Helzberg, a major supporter and leader of the arts community in Kansas City, recalled conversing during the opening reception with some of the scientists selected to lead the first laboratories at the Stowers Institute. "I asked what they liked to do, and when one mentioned the symphony I felt so happy and excited."

The Helzbergs are one of the golden couples of Kansas City philanthropy, ready not only with their money but with time, ideas and enthusiasm as well. This is made possible by Mr. Helzberg's Lithuanian-born grandfather, Milton Helzberg, who started a jewelry store on Minnesota Avenue in Kansas City, Kan.,

in 1915. His mother's family, the Felds, also made a contribution to the family fortune with a jewelry business on Main Street in Kansas City, Mo.

By 1995, when the business was sold to Mr. Buffett, Helzberg Diamond Shops had 142 stores in 23 states and was doing more than \$300 million a year in sales. After deciding it was time to either take the company public or sell to someone with the capital to expand it faster, Mr. Helzberg had considered various options and offers. He says Mr. Buffett did not make the highest offer but that he was the best buyer – because "his interest is buying successful companies, not messing with them."

And despite some lingering feelings that he sold cheap, Mr. Helzberg has been happy enough with the deal to write Mr. Buffett and say: "We're having fun giving your money away." 🌿

Tithing as a Matter of Family Business

Easing off a long career of 12-hour days running the family construction business, William H. Dunn Sr. has begun to divide his slightly shorter workdays between the concerns of the business, which his sons now handle on a day-to-day basis, and the concerns of the community. On a given day, he may go from considering the acquisition of another business somewhere around the country to raising money for a scholarship fund to enable poor children to attend private schools.

Or he may decide to make a gift of a half-million dollars to the Stowers Institute, as he did in mid-December. He said the Stowers Institute is such a large undertaking that it merits help from others, regardless of the wealth of the principal benefactors.

"Jim and Virginia Stowers have given us interesting role models here for philanthropy," Mr. Dunn said, "and as far as I'm concerned it points up the fact that there is a need for anyone who has been blessed with some of the riches of this world to support undertakings of this nature."

"What this means for Kansas City, and maybe for the whole world, is so significant that it could end up providing tremendous breakthroughs in health questions. We know how much is spent on cancer and research of that nature, and there still has been no breakthrough. I think Mr. Stowers' idea of getting the best and the finest minds in the world to come to this facility will produce outstanding results down the line."

"People ought to say to themselves: No one can do all of this alone."

The Dunn family now has its fourth generation working in the huge construction company started by J.E. Dunn in 1924. Four of Bill Dunn's five

sons – Steve, Terry, Bob and Bill Jr. – work in management for J.E. Dunn, and three grandsons have joined the firm since finishing college. The fifth son, Kevin, runs his own landscaping business.

In recent years J.E. Dunn has grown into a firm with national reach. The parent firm, Dunn Industries, also owns construction firms in Portland, Ore., Minneapolis, Houston and Colorado and is ready to acquire a firm with offices in Orlando, Nashville, Columbia, S.C., and Charlotte, N.C.

Syndrome, which is partly what motivates the Dunns to focus much of their giving on health and human service needs. But their giving is also an outgrowth of the years Mr. Dunn spent as a leader of the Heart of America United Way.

"I got to know, probably too intimately, about 150 not-for-profits that are supported by the United Way," he said. "I probably meet with at least a half-dozen not-for-profits every week, groups that are either needing financial



(photo by V. Craig Sands)

William H. Dunn Sr., center, with young scholarship winners, left to right: Long Bui, Mercedes Canada, Melshonn Canada, Yen Bui

It is a company that believes in giving back to the communities in which it works. Years ago, Bill Dunn adopted a policy of giving at least 10 percent of the firm's taxable income to philanthropic causes. Gifts are also made from the Dunn Family Foundation, created from the estate of J.E. Dunn, Bill Dunn's father.

The only daughter among Bill Dunn's children, Mary, has Down

assistance or guidance. There may be closer to 300 groups that we give to now."

In fact, the man who said that Jim and Virginia Stowers should not be expected to create the Stowers Institute alone proves every day that he is at the side of many other people and organizations in their efforts to help the community. 🌿

Big Year on Wall Street Fosters Generosity



William M. Lyons,
president and chief
operating officer

A trace of a smile crosses the normally placid face of William M. Lyons when he says that there is “obviously a very strong connection with our founder” in the \$1 million

gift that American Century Companies made to the Stowers Institute at the end of 1999. But he said the potential impact of the Institute was enough to justify the contribution under any circumstances.

James E. Stowers Jr., president of the Stowers Institute, founded and remains as chairman of American Century, which operates nearly 70 mutual funds for some 2 million investors. The wealth generated by ownership of American Century made it possible for Mr. Stowers and his wife, Virginia, to provide the seed capital to launch the Stowers Institute.

“Jim Stowers has helped a lot of people achieve their dreams with American Century, and now his mission is to achieve a different set of dreams,” said Mr. Lyons, president and chief operating officer of American Century. “Many people will look at our gift and think that it occurred only because of the personal connection of the Stowers to American Century, but the decision would have been made without them.”

“Even if we had been looking at this opportunity without the connection of the Stowers, I am sure we would have looked very favorably on supporting it at this level,” he said. “We wanted to be early in the process; we were not specifically

solicited to make the contribution. But, symbolically, we wanted to be a leading gift early in the process.”

This is the largest single gift the Stowers Institute has received from anyone other than the Stowers, and it equals the largest gift American Century has ever made to a philanthropic cause. An American Century gift of a similar amount was made to help pay the cost of restoring Kansas City’s Union Station and expanding it to create an interactive science center. The restored Union Station/Science City complex opened to the public at the end of 1999.

“Fortunately, 1999 was a wonderful year for us, and we were in a position to make some special gifts,” Mr. Lyons said. In addition to the Stowers Institute, those extraordinary gifts went to The Learning Exchange, Kansas City Community Development Initiative, Rose Brooks Center Inc., Harry S. Truman Library Institute, Nelson-Atkins Museum of Art, and Liberty Memorial.

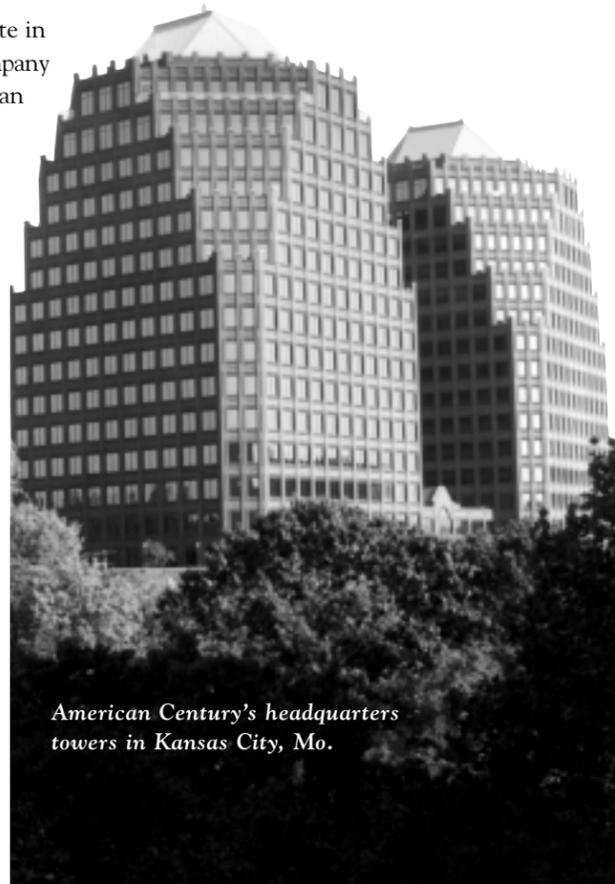
This gift to the Stowers Institute in its formative stage comes from a company that has truly come into its own as an investment powerhouse in recent years. Years of struggle followed the founding of the company in 1958, but Jim Stowers’ vision and innovation – including his pioneering work in using computers to select stocks – paid off with strong growth from the early 1980’s onward. Today, American Century is known as a good place to work and as a company that provides superior service to its investors, who have entrusted it with more than \$100 billion of their money.

“One of our values, as a company, has been to give back to the communities that support

us, if we are successful,” Mr. Lyons said, adding that, as a company of relatively recent success, American Century is still developing its philanthropic philosophy.

For the past seven or eight years, he said, the company has had the practice of donating one percent of earnings to charity, a sum that has grown as earnings have grown. Those donations have gone primarily to support operating expenses and programs of various organizations, mainly in education, the arts and social services.

Capital gifts – to help pay construction costs or, as in the case of the Stowers Institute, for an endowment – have been made only on an extraordinary basis. But Mr. Lyons said American Century was studying the possibility of creating a corporate foundation to handle capital requests in the future. 🌳



American Century’s headquarters
towers in Kansas City, Mo.

Ongoing Fundraising Will Expand Research

Gifts announced in this issue of *The Stowers Report* are the forerunners of a fundraising campaign to enable the Stowers Institute to grow at a sustained rate and gradually occupy all of the laboratory space on the research campus now under construction in Kansas City.

The first laboratories, all dedicated to basic biomedical research, are expected to be ready for use near the end of 2000, probably in November. The Institute plans to open its doors with eight functioning laboratories led by principal scientists, each directing a team of five to ten people, including postdoctoral fellows, bio-informatics specialists and technicians. These eight laboratories will be supported by the income from the Stowers Institute endowment, currently about \$500 million, and by continuing annual gifts from Jim and Virginia Stowers.

However, the research complex will have the potential for many more laboratories – as many as 60 – and the Institute plans to gradually fill those other laboratories as the pool of research dollars grows. Beginning after the first laboratories are occupied, the Institute will undertake an ongoing fundraising campaign to obtain private and public contributions for this purpose.

The Institute will seek grants and donations that allow it to add one or two additional laboratories each year, which will require an addition of \$2 million to \$4 million a year to the operating budget. This money may come from new gifts or from grants from the National Institutes of Health and other entities that fund research.

Stowers Institute scientists do experiments intended to fill in the missing pieces to the puzzles of life. They seek to broaden the base of knowledge on specific cellular and molecular

changes involved in the growth of disease, knowledge that can be used to alter genes to prevent or slow disease.

It helps to understand the importance of this kind of research by considering that research has already enabled society to conquer many bacterial, viral and parasitic diseases that plagued people for centuries, including polio, diphtheria, smallpox and pneumonia.



“The Stowers Institute wants to be in a position to pay for research today, tomorrow, and forever.”

Now, it is focusing on diseases that result from failures of basic molecular mechanisms within cells and tissues, including heart disease, cancer, arthritis, kidney disease and some forms of diabetes. We are at the beginning of a new era in medicine, and basic research in genetics has brought us there.

The Stowers Institute is staking out a pioneering path for itself by bringing scientists from many disciplines together to focus on biological questions and by working across genetic systems instead of concentrating on single genes, cells or proteins. In addition, its commitment to develop and use the latest in technology will produce results on a scale, and at a speed, unimagined a few years ago.

Those who make donations to the Stowers Institute are considered partners in this effort to benefit humanity. Gifts are tax deductible, and all gifts of \$1,000 or more are invested in **Hope Shares**SM and recorded as individual accounts by the Stowers Institute for Resource Development.* Even after spending 3.5 percent of the endowment annually to support research, the value of gifts

will grow, over time, in accord with the successful investment of the total endowment. Donors, and their descendants, will be regularly informed of the value of their contributions.

The Stowers Institute wants to be in a position to pay for research today, tomorrow, and forever. That is why the Institute limits its annual spending to, on average, 3.5 percent of the value of

the endowment. This assures perpetual funding and guarantees that the Stowers Institute will always be in a position to attract top scientists, acquire the latest in technology, and regularly add new laboratories.

The cost of providing the latest technology grows exponentially, greatly exceeding the general inflation rate, but technology also creates a limitless horizon for what can be accomplished with research. The combination of the ever-evolving technology and the growing endowment will constantly compound the potential for scientific discovery. 🌳

* The Stowers Institute for Resource Development, Inc. is a nonprofit charitable supporting organization engaged exclusively in activities that benefit the Stowers Institute for Medical Research. It has the following federal tax features:

It is tax-exempt (Code § 501 (c)(3)).
It is a public charity (Code § 509 (a)(3)).

Contributions to it are deductible to the maximum extent for purposes of the federal income tax (Code § 170), the gift tax (Code § 2522) and the estate tax (Code § 2055). Contributions are also deductible under state law. This is the case with respect to gifts of money, all forms of property and interests in property.

Thank You for Gifts of Hope

One of our donors told us that he is a conduit through which God sends money to the right places and that the Stowers Institute is one of the right places. We at the Stowers Institute are deeply grateful to those who share that view and have come forward to stand beside us in this ambitious endeavor.

You have made the effort to comprehend the significance of the Stowers Institute. Its mission is complex and intellectual on the one hand – probing for the secrets of how we and all living creatures came into being. It is simple and emotional on the other – using that knowledge to save and improve lives.

You have taken the first step by reaching out to us before we asked for help. In so doing, you have made us feel that we are not alone, that our efforts are worthwhile, and that the Stowers Institute will succeed in a big way.



**For this, you will
never be forgotten.**

Pain, Expectation Motivate Contributors to Institute

Tom Kirk, a California advertising executive, and Amy Noelker, a Midwestern statistician, would seem to be far apart, both geographically and in their interests. But one thing they share is a decision to support the Stowers Institute.

Ms. Noelker watched her mother fight cancer for 10 years, and after her death wrote out a check to the Stowers Institute. Mr. Kirk and his partners at Rubin Postaer and Associates in Santa Monica did some contemplating before this past Christmas and decided that instead of sending “another fruitcake” to their clients at American Century Investments they would make a cash contribution to the Stowers Institute.

The folks at Rubin Postaer were accustomed to watching gift baskets and other holiday goodies pile up around their offices and decided the money could be put to better use by supporting a worthy cause favored by a client. It is not clear how they decided that American Century was agreeable to having its fruitcakes sent – symbolically anyway – to the Stowers Institute. But the Institute, whose president and co-founder, Jim Stowers, also founded American Century, appreciated the generosity.

On the surface, Mr. Kirk and his associates were making a lighthearted gesture, but the seriousness underlying the decision came through in the letter sent to Gordon Snyder at American Century.

“For many,” they wrote, “the holiday season is a painful reminder of a personal misfortune in their lives or in the life of a loved one. Few face a tougher circumstance than those battling a serious illness. So, in honor of the season, and in place of another fruitcake, RPA is making a donation to the Stowers Institute for Medical Research.”

There could be no better illustration of their point than Ms. Noelker’s memories of her mother, Colette Noelker, and her struggle with disease at her home in Lexington, Mo. Despite the pain of losing her mother, Amy Noelker takes comfort today from the close relationship that she and others in her family enjoyed with her mother during the years after she discovered the first lump in her left breast in 1987. Mrs. Noelker worked hard in the coming 10 years to educate herself about cancer and its treatments – and she kept a journal almost until the end of her days.

After Colette Noelker’s death, Amy brought the journal to a close and organized it into a book. The family had it published under the title, “Cancer: If I’d Only Known.” Today, Amy occasionally appears before groups to talk about the book, which is available online from Amazon.com and at various bookstores.

Part of her message is that those final years of her mother’s life also brought blessings – “My mother educated me not only about how to live, but also about how to die.”

But Ms. Noelker also saw the frustrations of going through treatment for a disease that, so far, has no cure. Having worked for American Century before taking her current position with Sprint PCS in Kansas City and having seen the way Jim Stowers ran his business, she was convinced that the Stowers Institute would flourish and achieve its goals in the same way.

“Mr. and Mrs. Stowers’ overwhelming generosity in funding this project is a testament to their vision, their desire to respond to a clear need, and their reciprocity for the many blessings that they have received throughout their lives,” she wrote in her letter accompanying the contribution.

These are just two of the stories behind gifts made to the Stowers

Institute. Gifts made by Mr. Kirk’s firm and by Ms. Noelker and others are recorded as **Hope SharesSM**, the system by which the Stowers Institute keeps track of donations and treats them like an investment that will grow in value as the assets of the Stowers Institute grow through investment. All gifts of \$1,000 or more are registered as individual **Hope SharesSM** accounts, and the donors

are advised regularly of how much the value of their gift has increased. Gifts of smaller amounts are also welcome; if those donors, through later gifts, increase the value of their contribution to at least \$1,000 then individual **Hope SharesSM** accounts will be opened in their names as well. 

Hope SharesSM Here is a list of everyone who joined Jim and Virginia Stowers in opening Hope SharesSM accounts by the end of 1999:

INDIVIDUALS:

Elmer M. Armbruster and Verna M. Armbruster, Penn Valley, Calif.
John R. Block and Sheryl S. Block, Olathe, Kan.
Shirley A. Christian, Overland Park, Kan.
Kathleen S. Contillo, Highlands Ranch, Colo.
Michael E. Cunningham and Joyce P. Cunningham, Blue Springs, Mo.
Andrea Lynn Hazle, Penn Valley, Calif.
Barnett Helzberg Jr. and Shirley Bush Helzberg, Kansas City, Mo.
Jeff Johnson, Kansas City, Mo.
Isaac J. Jonathan, Kansas City, Mo.

Barbara H. Marshall, Kansas City, Mo.
Amy L. Noelker, Blue Springs, Mo.
Robert A. Pearson, Kansas City, Mo.
Michele M. Stowers, Shawnee Mission, Kan.
Robert J. Tomsovic and Roselle P. Tomsovic, Chicago, Ill.
John M. Urie and Ollie K. Urie, Tucson, Ariz.
David A. Welte and Wendy B. Welte, Kansas City, Mo.
Jean M. Whightsil, Topeka, Kan.

FOUNDATIONS and BUSINESSES:

American Century Investment Management Inc., Kansas City, Mo.
Cancer Golf Association, Kansas City, Mo.
Cisco Systems Inc., Shawnee Mission, Kan. (in-kind gifts)
J. E. Dunn* Construction Company, Kansas City, Mo. (in-kind gifts)
IBM, Kansas City, Mo. (in-kind gifts)
Felix and Helen Juda Foundation, Los Angeles, Calif.

Tom and Nancy Juda Foundation, Los Angeles, Calif.
Labconco Corporation, Kansas City, Mo. (in-kind gifts)
Lucent Technologies, Overland Park, Kan. (in-kind gifts)
Menorah Medical Center Inc., Overland Park, Kan. (in-kind gifts)
Rubin Postaer & Associates, Santa Monica, Calif.

Hope SharesSM accounts were also opened in memory of:

Arthur Brand	Paul H. Henson	Richard K. Smith
Walter C. Day	Carlo Jonathan	Wendell E. Smith
William R. Edwards	Felix Juda	Laura S. Stowers

* The announced J.E. Dunn cash gift of \$500,000 is not included on this listing because the first of five annual installments of \$100,000 each will be paid in May 2000.

Every attempt has been made to assure the accuracy of the above list. We believe that all donors of at least \$1,000 have been included, but in case of any errors the Stowers Institute would appreciate knowing about them.

TING XIE | Institute Adds Fourth Scientist to Team of Lab Heads

Chinese-born Ting Xie has been named a Stowers Assistant Scientist, bringing to four the number of scientists in line to direct laboratories when the first research facilities of the Stowers Institute are completed and ready for use near the end of this year.

Dr. Xie comes to the Stowers Institute from the Carnegie Institution of Washington, where he was a postdoctoral fellow. Working under Dr. Allan C. Spradling, he investigated molecular mechanisms of stem cell regulations in both *Drosophila* – fruit flies – and mammalian systems. At the Stowers Institute, Dr. Xie expects to continue research on stem cells, which have the potential to become any cell, tissue or organ of the body. Because of similarities in developmental regulation mechanisms in fruit flies and man, Dr. Xie believes he can eventually improve our understanding of the functioning of stem cells in humans, including their potential for curing diseases.

Dr. Xie, who was born in Anhui Province, China, received bachelor’s and master’s degrees from Beijing Agricultural University, then came to the United States for doctoral studies. He received his Ph.D. in 1996 from the Joint Graduate Program in Molecular Biology and Biochemistry of Rutgers University and the University of Medicine and Dentistry of New Jersey.

At the Institute, he will join two other Stowers Assistant Scientists – Dr. James A. Coffman and Dr. Linheng Li – and the Scientific Director, Dr. Robert E. Krumlauf – in opening the first laboratories on the \$200 million research campus. The appointments of the other laboratory heads were announced in November 1999, when the Institute opened the administrative building on the campus.

Efforts are now underway to select four additional lead scientists so that a total of eight laboratories can be put into operation when construction is completed, probably in November 2000. 

Built on the Desire to Offer Hope

- ◆ *Hope to people whose genes condemn them to a long battle with cancer.*
- ◆ *Hope to parents who wake in the night to tend a diabetic child, then toss and turn as they wonder what the future holds for their son or daughter.*
- ◆ *And hope to adult children who see parents sliding into the lost land of Alzheimer's and wonder how they – both the afflicted and those who love them – will find their way out.*

We seek to conquer these and other diseases through basic biomedical research into the way genes determine our biological fate and how they can be altered to prevent or slow disease.

*Our symbol is a tough and wiry tree, which embodies
the survival of hope against adversity.*

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