

Ron Salvagio

by Suzanne B. Bopp
Alumnews editor

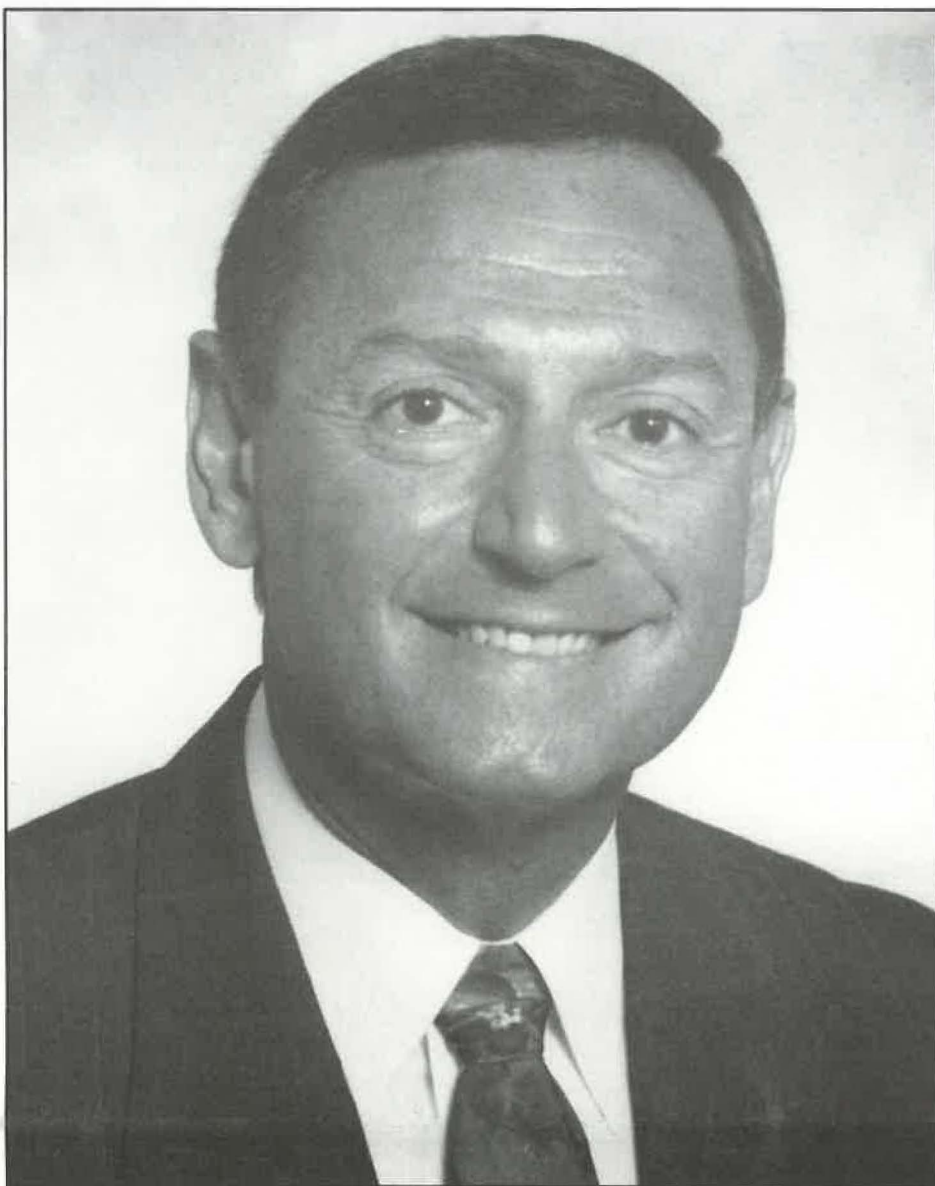
Like many young boys, Ron Salvagio dreamed of being a baseball player. Salvagio was born in Rockford, Ill., and went through high school there, always involved in athletics. No one in his family had been to college before him, but the fact that he would attend - if he could obtain a scholarship - was never questioned. In the end, several schools offered him baseball scholarships; he chose UW.

When he came to UW, it was his first time west of the Mississippi. He'd been an All-State player through high school, but after playing for three years at UW, he knew that professional ball was not in his future. But by that time, a new direction had become clear: he had identified accounting as his major. "I always liked the numbers side of business," he says. "I talked to counselors and thought accounting would be a good fundamental thing to learn."

For the rest of his time at UW, he remained involved in sports, participating in every intramural he could. He pledged Sigma Nu and moved into the fraternity house after two years in the athletic dorm; he joined ROTC for the pay. "I needed every dollar I could get," he says. "It paid \$45 a month back then."

When he graduated in 1965, he had to fulfill his ROTC obligation to the Army and went to Berlin as part of the Berlin Brigade. He was a train commander in charge of the duty trains traveling through East Germany; he dealt with the Russians at checkpoints along the way. After two years, he was sent to Vietnam, where he served as captain of a transportation unit running convoys to the troops. At that point, UW Professor Gene Messer wrote to his commanding officer asking for Salvagio to return as his graduate assistant, so he left a few months early and returned to UW to earn his master's degree in accounting.

When he graduated, he had offers from each of what were at time the "Big Eight" accounting firms, a fact he credits to his UW education. "One reason I got into accounting was that at that time it was one of the



Ron Salvagio (BS '65, MS '69)

best, if not the best, accounting program in the Rocky Mountain West," he says. "They gave you the fundamentals you needed to be successful."

He took a job with Arthur Anderson, which he describes as the dominant firm then, right out of school. For 17 years, he worked in their Denver office before being transferred to Hong Kong when the company merged with a large group in the Asian Pacific. He also was made managing partner. "After three years, then they asked if I would transfer to Tokyo and head up internal operations for the Asian Pacific," he says. "My territory was from South Korea to New Zealand." All told, it was an adventure that would last for 11 years for him and his wife, Patty, whom he had met at a reception back in Colorado.

It was a wonderful time for them, and an ideal time to be there,

Salvagio says. "This was back in the days when Asia Pacific was strong. It was a great place to live and a very good business and social environment. About a year after we left, it collapsed." They took advantage of their time there to travel everywhere they could; their favorite trip was hiking in the Himalayas. After 11 years, when he was only four or five years away from retirement, Salvagio decided to come home. They went to Chicago, where he worked as director of financial services for the company.

Then the time came for Salvagio to make a difficult decision. The Arthur Anderson company had two different branches, one accounting and one consulting. In Asia, Salvagio had been able to work for both of them. "I was the last partner to work for both," Salvagio says. "Because of my unique position, both companies wanted me to be

their guy in Asia. When I came back, I had to choose, and I chose Anderson Consulting." In fact, the two firms were going to be separated. "I was heavily involved in splitting the two firms. Once the ties were severed, Anderson Consulting was separate. I worked to take it public in July 2001 and retired in September 2001."

Taking the company public was one of the taller orders of his career.

Salvagio's main responsibilities were to make sure the current financial statements were in order, to do five-year forecasts and develop a narrative to tell investors about the company. "You're inviting them to buy your stock," he says. "Then you put on the road show, going to various big investment houses and pitching to them your company. They tell you what they would pay for it; that helps you set your initial price." On the day of their offering, he was at the NYSE for the successful opening.

After the split, Anderson Consulting became known as Accenture, "probably one of the best firms in the world." But the other side of the business was about to dissolve in the wake of the Enron scandal, which Salvagio calls "a bad deal, and very unwarranted. Everybody was out to get somebody. It was Congress that put Arthur Anderson out of business, but Arthur Anderson was later vindicated. The Supreme Court overthrew the decision, but by then the firm had dissolved."

Because he had chosen to work for the company that became Accenture, Salvagio was insulated from that firestorm. He retired and he and Patty moved to Naples, Fla. These days he plays golf and poker and serves on several different boards, including the UW Foundation and the UW Art Museum; Patty owns a Pilates studio.

He's pleased with what he accomplished; it was more than he expected. "Making partner was something I didn't think I could achieve," he says. "Not just making partner, but being selected for the assignment in the Asian Pacific and having a career with one organization for 32 years."

Salvagio's success in business no doubt derives in part from the philosophy he has tried to follow from the start of his career. "I've always felt that when you deal with people fairly, then you can deal with any consequences of actions you take," he says. "If you expect more - or less - of someone than is fair and reasonable, then you have problems." ❧

The UW Distinguished Alumni Award recognizes people who have distinguished themselves in their profession or career.

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