

PATRICIA STONESIFER

“We’re very lucky to have her helping us,” enthuses Amazon.com chairman and CEO **Jeff Bezos**.

“Patty doesn’t just advise, she also helps . . . She is a natural developer.”

—Jeff Bezos, Chairman and CEO, Amazon.com



“It’s a match made in heaven,” says **John Kelly**, Alaska Air chairman.

“Patty understands the entrepreneurial, high-tech, fast-moving spirit,” explains Kinko’s director **Don Gogel**. “She helps translate that spirit to the rest of the board.”

All three industry chieftains are talking about **Patty Stonesifer**. Stonesifer is the former **Microsoft** senior vice president who now co-chairs the \$17 billion Bill and Melinda Gates Foundation.

She is also a director of Amazon.com, Alaska Air and Kinko’s.

Stonesifer worked for **Bill Gates** at

Microsoft for eight years. Most recently she was Senior Vice President of the Interactive Media Division. In that role, she managed Microsoft’s investment in new on-line content and service products. Among the notable achievements during her tenure is **MSNBC**, a 24-hour cable and Internet joint venture of Microsoft and **NBC News**. Media Metrix, an Internet measurement service, ranks MSNBC as the number one news site.

Colleagues credit Stonesifer with actively putting to work in the boardroom both the business and technological savvy that marked her tenure at the software giant. “Patty doesn’t just advise, she also helps,” says Amazon.com’s Bezos.

The internet giant has been following a spend-to-grow style that has catapulted it to the web’s largest retailer. After raising \$1.25 billion in a bond offering in early 1999, it has broadened its product line to include deals with **drugstore.com**, **HomeGrocer.com**, **Pets.com**, **LiveBiD.com** and more. Insiders say Stonesifer has been a key strategist in developing this business model.

Bezos reports that she gets involved with recruiting at Amazon.com – a crucial task given the rapid growth of the Internet behemoth. The company, which pioneered selling books over the Internet, saw its employee base grow 242% from 1997 to 1998 alone.

Stonesifer will conduct phone interviews or come to the Amazon.com offices to screen important candidates, Bezos illustrates. “She helped us recruit **Joe Galli**, our new president, from **Black & Decker**,” he adds. Why does a board member get involved in such day-to-day details? “Patty is a natural developer,” Bezos responds. “She likes to help guide other people’s careers.”

BORN

May 22, 1956, in Indianapolis, Indiana

EDUCATION

B.A., Indiana University

CAREER HISTORY

Currently President and co-chairman, Bill and Melinda Gates Foundation; formerly technology consultant to DreamWorks, and Senior Vice President, Microsoft

FAMILY

Divorced; two children aged 18 and 15

HOME

Redmond, Washington

HOBBIES

“Anything involving my teenagers;” reading

RECENT BOOKS

Turtle Moon, by Alice Hoffman; *Guns, Germs, and Steel*, by Jared Diamond

MOST ADMIRED PEOPLE

Steven Spielberg, “for his sensitivity to the people around him and his openness to their stories;” Bill Gates, “for his business ability”

FAVORITE VACATION

Family photo safari in Kenya

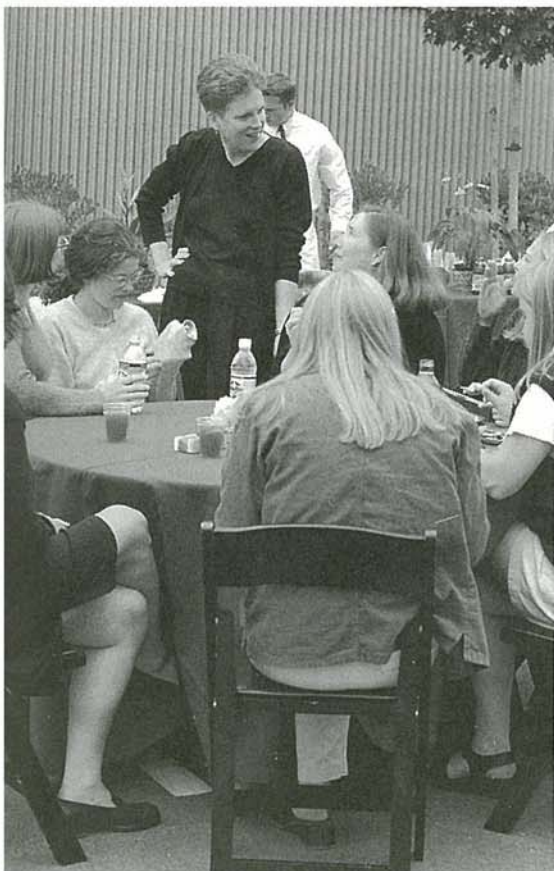
CURRENT BOARDS

Alaska Air Group, Amazon.com, Kinko’s

Moreover, the company has a small board with only five members, including 35 year-old founder Bezos. One of the other four is **Scott Cook**, co-founder of **Intuit**. Because Intuit is considered in some ways a competitor, Cook has to recuse himself from many of the Amazon.com board's discussions. Stonesifer thus is effectively one of only three directors overseeing a company with \$610 million in revenues in 1998.

At Alaska Air, Stonesifer is a member of the company's Airport of the Future committee. The group of Alaska Airlines and **Horizon Air Industries** employees meets regularly to work on technical solutions for getting people through airports more quickly and cheaply. "She was immediately able to ask the right questions, add perspective, and give us valuable contacts," notes Kelly. Stonesifer is arranging for people from Alaska Air to meet with their counterparts at

Stonesifer chats with colleagues at a recent reception.



Amazon.com in order to share information and ideas. "That can really help us leapfrog ahead, rather than plowing dirt that's already been plowed," says Kelly.

The growing regional airline – serving 45 cities in six states – also benefits from Stonesifer's willingness to share the direct marketing expertise she has gained from her work on the Amazon.com board. "That company is everyone's model for direct marketing through the Internet," Kelly explains. Alaska Air was the first airline to sell tickets over the Internet, beginning in December of 1995. That early embrace of technology is one of the reasons Alaska Air sought a director with technology experience.

At Kinko's she is a senior counselor of sorts to several of the firm's top people, reports fellow director Gogel. Gogel is the president and CEO of buyout firm **Clayton, Dubilier & Rice**, which bought 30% of Kinko's in 1996.

Kinko's is a global chain of more than 900 business service centers that offer everything from copies to computer rentals to videoconferencing. Kinko's is transforming itself from a retail company to an Internet-savvy, e-commerce business, reports Gogel. "To do that, you have to trust 23 year-olds," he says. Stonesifer helps to bridge the generation gap.

"The real challenge in e-commerce and e-services is getting the right people. Patty helps us with technology human resources," confirms Kinko's president **Joe Hardin**.

Stonesifer also attends monthly technology update meetings at Kinko's, and is a member of a board subcommittee advising Hardin on issues related to e-commerce. Kinko's is investing the \$219 million it got from Clayton, Dubilier in new technology and expansion. At a recent strategy retreat, Stonesifer led a session on

technology for the other board members and the company's leaders.

Stonesifer had been scheduled to join the board of **CBS** prior to the media giant's proposed merger with **Viacom**. Her Internet expertise and concurrent "dynamic, sharp strategic thinking" attracted the attention of CBS chairman **David McLaughlin**.

For her part, Stonesifer thrives on the broad strategic planning that board membership requires. "I really enjoy the opportunity to partner with the corporate leadership in their efforts to map their daily activities against long-term strategies," she explains. Being in the boardroom as Amazon.com grew "from an exciting web site to a broad-based company" was particularly gratifying to Stonesifer. "The board meetings are intense, but very pleasant," she smiles.

She believes that directors can add particular value when marketplace forces like global issues or technology affect a company's strategy. For example, Stonesifer explains that, while everyone on the Amazon.com team "is very aware that their long-term success depends on delivering profit, they also know that a tremendous opportunity exists to be a preferred place on-line." Thus, at every meeting she reports "we talk a great deal about what products, pricing models, and type of experience customers are looking for. That's a big part of what it means to be on-line," she concludes.

Stonesifer – who prefers "Patty" to the more formal "Patricia" – is regarded for her intelligence, and her lack of hubris. "She's bright, and a clear thinker," notes Kelly. "There are no airs about her," adds **Vartan Gregorian**, former President of Brown University and a member of the Bill and Melinda Gates Foundation board. "As an academic, I'm used to people pretending. Patty is intellectually honest. She'll admit it if she doesn't know something," he grins.