
THE CIVIC FEDERATION



2005 AWARDS LUNCHEON

Tuesday, May 10th

Millennium Park, Chicago

A message from
SCOTT SAEF
CHAIRMAN OF THE BOARD OF DIRECTORS



It is my pleasure to welcome you to The Civic Federation's 2005 Annual Awards Luncheon, and to thank all of you for joining us to honor the great civic contributions of W. James Farrell and William Blair & Company. It is their extraordinary commitment to civic leadership that we honor here today.

The Civic Federation also owes a special debt of gratitude to some outstanding individuals who have helped make this awards luncheon such a wonderful success. Our co-chairs for today's event — Lester Crown, Andrew McKenna, and William Osborn — are great civic leaders in their own right. All three of these gentlemen have been enormously supportive of The Civic Federation and of this awards luncheon, and they play a very big role in making Chicago a great city.

Finally, I want to express my gratitude to my fellow members of The Civic Federation's Board of Directors. It is my honor to serve with such a diverse and talented group of dedicated business leaders. I particularly appreciate the work and commitment of our Executive Committee, especially our vice chairs, George Lofton, Barbara Stewart and Sarah Garvey, and our treasurer, Joseph Starshak. All of our board members devote an enormous amount of time to working with our president, Laurence Msall, and The Civic Federation staff to improve our local governments and promote rational tax policy.

The Civic Federation has made important progress over the past year, from promoting reasonable alternatives to ill-advised tax increases, to suggesting strategic privatization opportunities such as the now realized \$1.8 billion Chicago Skyway project. Right now, the Federation is leading the call for reform of the state's pension systems. For far too long, the General Assembly has ignored its responsibility to adequately fund the state's pension systems. At the same time, expensive new benefits are added every year. That cycle of under-funding and overcommitting has to stop.

The Civic Federation is continuing its work to eliminate waste and duplication in government. From our persistent call to eliminate the Suburban Cook County Tuberculosis Sanitarium District to our annual analysis of the state and local governments, The Civic Federation is having an impact. Going forward, there is a great deal to be done. And with your support, we will have even greater success. The Civic Federation will continue to work for increased government efficiency and fiscal accountability. We will be joined in these efforts by public officials at every level who embrace reform and endeavor to reduce the cost of government.

If you are not yet a member of The Civic Federation, I encourage you to join us in our efforts. This organization's strength lies in its membership, and we welcome your thoughts and involvement as we work together to improve our local and state government.

Once again, thank you for joining us as we gather to honor W. James Farrell and William Blair & Company.

A message from
**CO-CHAIRS OF THE
AWARDS LUNCHEON**

**LESTER CROWN, ANDREW J. MCKENNA,
AND WILLIAM A. OSBORN**

It is a pleasure for us to welcome you to The Civic Federation's Annual Awards Luncheon as we join together to recognize an outstanding Chicagoan and an outstanding Chicago corporation for their important and lasting contributions to our community.

This year, we are privileged to recognize two great examples of civic leadership in Chicago:

- The *2005 Lyman J. Gage Award for Outstanding Civic Contribution by an Individual* is given to acknowledge the energetic and deeply committed leadership of **W. James Farrell**, Chairman and Chief Executive Officer of Illinois Tool Works.
- The *2005 Addams-Palmer Award* recognizes **William Blair & Company's** long history of exemplary civic involvement in Chicago.

Since its founding 111 years ago, The Civic Federation has been a strong voice for responsible government, but it can only be as effective as we make it. Over the years, we have learned our community can thrive and flourish only through the civic involvement of the individuals and corporations who call Chicago home. We sincerely appreciate all of the members of the Chicago business and civic community who have joined us today to honor these outstanding leaders and support their common goal of improving Chicago.

It has been an honor to serve as co-chairs of this special event. Thank you for your participation today and for your continued support of The Civic Federation.



LESTER CROWN
Chairman,
Material Service Corporation



ANDREW J. MCKENNA
Chairman,
McDonald's Corporation
Chairman,
Schwarz



WILLIAM A. OSBORN
Chairman and Chief Executive Officer,
Northern Trust Corporation

PROGRAM

Welcome

Laurence J. Msall
President, The Civic Federation

Invocation

The Reverend Monsignor Kenneth Velo

Lunch

Remarks

Scott Saef
Chairman, The Civic Federation

Awards Presentation

Andrew J. McKenna
presenting

ADDAMS-PALMER AWARD FOR EXEMPLARY CORPORATE CIVIC INVOLVEMENT

William Blair & Company, LLC

accepted by:

Edgar D. Jannotta, Sr.

Chairman

William Blair & Company, LLC

William A. Osborn
presenting

LYMAN J. GAGE AWARD FOR OUTSTANDING CIVIC CONTRIBUTION BY AN INDIVIDUAL

W. James Farrell
Chairman and Chief Executive Officer
Illinois Tool Works Inc.

MENU

*Heirloom Tomato Gazpacho
Swirled with Crème Fraiche
Basil Garnish
Herb Crostini*

*Grilled Lemon and Garlic Chicken Breast
Served atop
Haricot Verts Salad
with
Roasted Shallots and
Tomatoes Chervil*

Assorted Petit Fours

Assorted Beverages



*Special thanks to Civic Federation Board member Timothy Fair and The Tribune Company
for their generous contribution to the special drawing which will be held after lunch.*

THE ADDAMS-PALMER AWARD

Presented for the first time in 1995, this award honors Jane Addams and Bertha Honoré Palmer, two outstanding Chicagoans who served as founders of The Civic Federation. In their memory, the Addams-Palmer Award is given each year in recognition of civic achievement by a corporation.

Nobel Peace Prize winner Jane Addams, who founded Hull House on Chicago's Near West Side, is remembered for her passionate dedication to social reform, both in Chicago and throughout the world. Miss Addams embodied the civic pride, altruism, optimism, energy and determination that characterized an entire generation of Chicago reformers. Through her heartfelt commitment to the immigrants served by Hull House, Miss Addams grew into a major force for change in Chicago politics. As a founder of The Civic Federation, she battled corruption in City Hall, joining forces with business leaders, social activists, and other concerned citizens with the goal of making Chicago "the best governed, the healthiest and the cleanest city in the country."

The wife of Chicago's richest man, Bertha Honoré Palmer was the acknowledged leader of Chicago society, known for her superb taste, her generous philanthropy and her keen sense of social justice. She gained national prominence as the president of the Board of Lady Managers of the Columbian Exposition of 1892. Although the ladies' board was originally intended to be largely honorary, the ladies – under Mrs. Palmer's guidance – succeeded in creating one of the gems of the Exposition, the Women's Building. A friend of Jane Addams, Mrs. Palmer gave both time and money to support Hull House, and joined with Miss Addams in launching The Civic Federation. After her husband's death in 1902, Mrs. Palmer took over active management of his \$8 million estate; she more than doubled the estate's value over the next decade. On her death, she left the Art Institute of Chicago more than 50 paintings by Cassatt, Monet, Renoir, Manet, Degas and many others; those works now make up the heart of the Art Institute's Impressionist collection.

SINCE 1995, PREVIOUS RECIPIENTS HAVE INCLUDED:

1995 SEARS ROEBUCK AND COMPANY	2000 MCDONALD'S CORPORATION
1996 UNITED AIRLINES, INC.	2001 LASALLE BANK
1997 CHICAGO '96	2002 AON CORPORATION
1998 FIRST NBD CORPORATION	2003 RR DONNELLEY
1999 BP AMOCO	2004 EXELON CORPORATION

ADDAMS-PALMER AWARD RECIPIENT

William Blair & Company

accepted by: **EDGAR D. JANNOTTA, SR.**

William Blair & Company, L.L.C. is a Chicago-based investment firm offering investment banking, asset management, equity research, institutional and private brokerage, and private capital to individual, institutional, and issuing clients.

Since 1935, the company has been committed to helping clients achieve their financial objectives. As an independent, employee-owned firm, William Blair & Company's philosophy is to serve its clients' interests first and foremost. The company places a high value on the enduring nature of its client relationships, the quality of its products and services, and the continuity and integrity of its people.

From its inception, William Blair & Company has committed itself to offering service to the community. Its employees are not only generous in their monetary support of hundreds of organizations but, more significantly, they also believe in hands-on involvement with the organizations to which they contribute. The firm has a strong culture of volunteering – a legacy of the firm's founder – encouraging employees to get out into the community and donate their time to visit schools and repaint walls, provide tutoring services, support education and the arts, and help the underprivileged and underserved.

William Blair & Company has offices in Chicago, Hartford, London, San Francisco, Tokyo, Vaduz, and Zurich.

THE LYMAN J. GAGE AWARD

In keeping with the civic commitment and vision of its first president, The Civic Federation annually presents the Lyman J. Gage Award for Outstanding Civic Contribution to an individual who has consistently demonstrated dedication to civic concerns in the Chicago area.

Lyman Judson Gage (1836-1927) was born in upstate New York. As a young man, he moved to Chicago and began working for The First National Bank, where he rose from cashier to bank president.

In 1889, Chicago's City Council launched a bid to host a World's Fair commemorating the 400th anniversary of Christopher Columbus' voyage to the New World. Gage was one of 100 prominent citizens appointed to a committee to promote Chicago's bid. At the time, public opinion was mixed on the wisdom of investing in such an extravagant undertaking. However, Gage saw the proposed Fair as an opportunity to showcase Chicago as a world-class city, and led a \$10 million fundraising drive to build the World's Columbian Exposition. Although cynics predicted disaster, the 1893 Exposition was a great critical and financial success. More than 27 million people visited the Fair during its six-month run, and it provided an important source of jobs during a time of national economic depression.

In the wake of the Fair, Chicago confronted serious economic challenges compounded by widespread corruption in city government. In response, Gage helped to organize a series of conferences to address the problems of rampant poverty, gambling and prostitution. At one of the conferences, the featured speaker was journalist William T. Stead, author of the muckraking book, *If Christ Came to Chicago*. Stead's speech so electrified the audience that they resolved to join together to address Chicago's urgent need for reform. That group became The Civic Federation of Chicago, which was formally incorporated in February 1894. Gage was elected president of The Civic Federation at its incorporation and was joined by Jane Addams and Bertha Palmer as the organization's first officers.

In 1897, Gage joined the cabinet of President William McKinley as Secretary of the Treasury. He was reappointed by President Theodore Roosevelt, but left in 1902 to become the president of The United States Trust Company in New York. Gage retired in 1906 to San Diego, where he died in 1927.

SINCE 1982, PREVIOUS RECIPIENTS HAVE INCLUDED:

1982 ALAN GREENSPAN

1983 DONALD REGAN

1984 LAVERN W. KRON

1985 PHILIP M. KLUTZNICK

1986 JOHN E. SWEARINGEN

1987 EDWARD A. BRENNAN

1988 JAMES F. BERE

1989 FRANK W. CONSIDINE

1990 RICHARD M. MORROW

1991 STANTON R. COOK

1992 ROBERT W. GALVIN

1993 WILLIAM L. WEISS

1995 HILLARY RODHAM CLINTON

1996 HENRY HYDE

1997 DANIEL E. MCLEAN

1998 JAMES J. O'CONNOR

1999 RUTH M. ROTHSTEIN

2000 CLARK BURRUS

2001 JOHN M. BRYAN

2002 ANDREW MCKENNA

2003 WILLIAM A. OSBORN

2004 LESTER CROWN

LYMAN J. GAGE AWARD RECIPIENT

W. JAMES FARRELL



W. James Farrell is the chairman and chief executive officer of Glenview-based Illinois Tool Works Inc., a multi-national manufacturer of highly engineered fasteners, components, assemblies and systems. Mr. Farrell, who was elected chairman in 1996, joined ITW in 1965. Under his guidance, the company has grown to comprise approximately 650 decentralized operations in 45 countries with more than 49,000 employees and 2004 revenues of approximately \$11.7 billion.

Mr. Farrell sits on the boards of directors of Allstate Insurance Company, the Federal Reserve Bank of Chicago, Kraft Foods, Inc., and UAL Corporation. He is President of the Chicago Club, Chairman of the Economic Club of Chicago, Director of the Executives' Club of Chicago, a member of the Civic Committee of The Commercial Club of Chicago, and a member of The Business Council and the Mid-America Committee.

An active supporter of education at all levels, Mr. Farrell is a Trustee of Northwestern University, Chairman of the Advisory Board of the J.L. Kellogg Graduate School of Management, Chairman of Junior Achievement of Chicago, and Director of the Chicago Public Library Foundation.

Mr. Farrell is also a longtime and committed supporter of many civic and cultural institutions. He serves as a Trustee of the Museum of Science and Industry and of Rush Presbyterian-St. Luke's Medical Center. He is a Director of Lyric Opera of Chicago and the Big Shoulders Fund and serves as Chairman of the United Way Crusade of Mercy.

A graduate of the University of Detroit, Mr. Farrell served in the U.S Army from 1965-1967.

A message from
LAURENCE J. MSALL
PRESIDENT



Thank you all for attending today's Civic Awards Luncheon. As President of The Civic Federation, I am extremely grateful to everyone who has helped to make this event such a success. I especially want to express my appreciation to our luncheon co-chairmen, Lester Crown, Andrew McKenna, and William Osborn.

It is truly a privilege to be a part of The Civic Federation that has worked for 111 years to improve the quality of our local governments. Our honorees today have been key supporters of The Civic Federation and so many other efforts to make the Chicago area a better place. It is most appropriate that we recognize W. James Farrell with the Lyman J. Gage Award for Outstanding Civic Contribution by an Individual. Mr. Farrell has established a wonderful record of outstanding business leadership combined with a strong and consistent commitment to the betterment of the Chicago civic community. By lending his time and expertise to a long list of charities, not-for-profit organizations and cultural institutions, Mr. Farrell has added immeasurably to the quality of our life in this region.

We also are honored today to present the Addams-Palmer Award for Exemplary Corporate Civic Involvement to William Blair & Company. It is a great pleasure to recognize the contributions this company and its fine employees have made to organizations throughout the area. After seventy years, William Blair & Company still reflects its founder's vision of a company dedicated to serving the businesses and the people of Chicago.

As The Civic Federation examines the fiscal difficulties and management shortcomings that seem to confront government at every level, it would be easy to become discouraged and cynical. However, due to the support of our members and the example set by our honorees, we continue to remain optimistic that there are workable, cost-effective solutions to the complex issues of service delivery and tax policy that confront the public sector.

From pension reform to improving our property tax system, the support and guidance of Chicago's premier business leaders have shaped The Civic Federation's non-partisan and fiscally sound public policy agenda. With the continued support of our members and people like you, we will continue to make real progress toward improving the effectiveness and accountability of Illinois governments.

In closing, I want to thank Civic Federation Chairman Scott Saef, our Board of Directors, and each and every member of The Civic Federation. This organization is not just a list of names on letterhead; our members are deeply committed and generously contribute their time, energy and expertise as we expand the number and scope of our projects. Thanks to their hard work and continued financial support, The Civic Federation can look forward to another successful year of advocacy for more responsible and efficient government.

THE CIVIC FEDERATION 2005 AWARDS LUNCHEON COMMITTEE

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LaSalle Bank

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Allstate Insurance Company

W. James Farrell
Illinois Tool Works Inc.

James A. Gordon
Edgewater Funds

Frederick A. Krehbiel
Molex Incorporated

William Blair & Company, LLC

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Foundation*

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☒ Past Chairmen's Council

The Civic Federation

**177 N. State Street • Suite 400 • Chicago, IL 60601
312-201-9066 Phone • 312-201-9041 Fax • www.civicfed.org**