

REMARKS BY GEORGIA TECH PRESIDENT G. WAYNE CLOUGH
Introduce Robert L. Nardelli, T. Brooks Pearson Distinguished Lecture
October 19, 2001

I'm pleased to welcome everyone to the annual T. Brooks Pearson Distinguished Lecture.

Brooks Pearson was a member of the Georgia Tech class of 1929, and his career in business and industry embodied the innovative and entrepreneurial spirit that has always been the hallmark of Georgia Tech. After his death, his wife of 55 years, Julia Gatewood Pearson Whitfield, commemorated his life with a gift that supports the annual T. Brooks Pearson Distinguished Lecture Series. Each year, thanks to her generosity, we are able to bring to our campus a recognized entrepreneurial business leader or a distinguished academician.

This year we are pleased and honored to welcome Robert L. Nardelli, president and chief executive officer of The Home Depot – a remarkable man at the helm of a remarkable company.

The Home Depot was started right here in Atlanta in 1978, and co-founders Bernie Marcus and Arthur Blank opened the doors to the first store on June 22, 1979. So the company is only a little over 20 years old.

But what it has accomplished in those two decades is nothing short of astonishing. Today there are 1,200 Home Depot stores in 48 states, 7 Canadian provinces, Puerto Rico, Chile, Argentina, and just recently Mexico. They employ almost a quarter of a million people, and they reported net sales of \$45.7 billion in 2000.

The company has been traded on the New York Stock Exchange since 1981, and is included in Standard and Poor's 500 Index and the Dow Jones 30 Industrial Index.

The Home Depot has been voted America's most admired specialty retailer by *Fortune* magazine for seven years straight, and several factors have contributed to that distinction. The typical Home Depot store offers 40,000 to 50,000 products for construction, home improvement, lawn, and garden, so customers know they'll find what they want.

They also know they'll get expert advice from knowledgeable sales staff and at free in-store clinics to expand their fix-it skills. They know that The Home Depot made a deliberate commitment to the environment a decade ago, and they can find certified "green" products on the shelves.

And they know that The Home Depot cares about their community. The company has a philanthropic budget of about \$18 million and uses it largely to support the interests of its employees in the communities served by its stores.

Clearly it takes a unique individual to run such a rapidly expanding, high quality operation, and clearly Bob Nardelli has what it takes. When Arthur Blank retired recently, Bob came to The Home Depot from GE, where he was president and chief executive officer of GE Power Systems. In that capacity, he turned his division into a \$20 billion worldwide energy leader by leveraging technology and innovative products and services, and by making strategic acquisitions to grow the company.

In addition to a long career of leadership at GE in the company's lighting, appliances, and transportation divisions, Bob also served as executive vice president of Case Corporation in Racine, Wisconsin.

Under his leadership, The Home Depot plans to continue its explosive growth. In addition to adding more of the large trademark stores we all know, expansion plans also include more EXPO Design Centers, which cater to décor projects and design renovations. The Home Depot will also continue to test its Floor Stores and Villager's Hardware stores, which focus on small home enhancement projects and décor.

In addition to steering this continued growth, Bob Nardelli also has his eye on improving services and distribution channels for both construction professionals and do-it-yourself homeowners. He plans to build on new product offerings, which have included appliances and home improvement loans during the past year, and expand the company's Internet sales and information services.

Bob Nardelli has always been an active community leader during his career, chairing the Make-a-Wish Foundation and Juvenile Diabetes Association in upstate New York before coming to Atlanta. And we know he will continue that focus here in Atlanta as well as supporting The Home Depot's community involvements wherever its stores are located.

Bob holds a bachelor's degree in business from Western Illinois University and an MBA from the University of Louisville, which he now serves as a member of the Advisory Board for the Graduate School of Business. He is the recipient of many awards, and just this year received an honorary doctorate of business administration and Alumnus of the Year Award from the University of Louisville.

It is a great pleasure to welcome Bob Nardelli to our campus to deliver the T. Brooks Pearson Distinguished Lecture entitled "Leadership Transformation," and I am pleased to present him to you at this time.