ANNUAL ADDRESS TO THE FACULTY

C. L. Max Nikias
President, University of Southern California
February 2013
This annual address is, for me, an opportunity to enjoy time with longtime colleagues and friends in the professoriate. This year, it is a special opportunity to report to you on the progress being made by this ambitious academic community.

For the faculty of USC, this continues to be our moment. It is in times such as these — moments of disruption — in which we see the most promising developments. These are moments of new light, a re-illumination of the human mind and spirit.

In the Late Middle Ages, Petrarch ignited one moment of re-illumination, when the first wave of humanists took accumulated wisdom and the classics, and used them to spark a new intellectual encounter, and to brighten our understanding of humanity’s place in the cosmos.

Francis Bacon would later fashion modern notions of rigorous, empirical inquiry. In his monumental book the *Novum Organum*, human inquiry smashed through ancient barriers, opening vast new worlds for exploration.

Our own world is opening up, in the 21st century, in no less dramatic ways. Within our academic community, among you, we have those who live in the spirit of Petrarch, in the lineage of Francis Bacon, here now within this latest age of discovery. This is the Age of the Pacific — and yes, this is the century of biology and medicine.

In this era, human inquiry is being informed by the extraordinary convergence of Pacific Rim cultures, by the rich blending of a new world into the existing one.

This is an era in which the crucial issues of how we live, and how well we live, and how long we live will be illuminated by creative and collaborative adventurers across the sciences and engineering, the humanities, the arts and social sciences, and the professions.
As a private, comprehensive research powerhouse, here at the greatest cultural and commercial crossroads of the Pacific Rim, USC finds circumstances working in its favor. Located in this place, at this time, with our unique assets, we find that Destiny has dealt us a favorable hand. Let us play this out wisely!

**Faculty**

USC’s good fortune has much to do with you, our faculty — the dedicated and distinguished women and men who transfer great knowledge and insight to the next generation of scholars, while also engaging them in an astonishing discovery and creation of fresh knowledge and insight. Senior faculty who received global recognition this year include Solomon Golomb, who two weeks ago received the National Medal of Science from President Obama at the White House. Professor Golomb joins such USC luminaries as Kevin Starr, Morten Lauridsen, and Andrew Viterbi, who also received National Medals.

Manuel Castells received Norway’s 2012 Holberg International Memorial Prize. Carmen Puliafito received the prestigious António Champalimaud Vision Award for contributions to overall vision research. Jae Jung was the recipient of the 2012 Ho-Am Prize in Medicine, which is known as South Korea’s equivalent of the Nobel Prize. Arieh Warshel also was honored in November by England’s Royal Society of Chemistry for his work as the founder of computational enzymology.

Over the past three years:
- the number of USC national academy members increased by 13, bringing USC’s total to 62;
- 15 of our junior faculty won major national or international honors;
- 32 of our faculty were strategic, transformative hires, including nationally prominent figures, such as Andy McMahon from Harvard, Scott Fraser from Caltech, Lee Epstein from Northwestern, and Hortensia Amaro from Northeastern; and
- 400 postdoctoral scholars were recruited and currently play a crucial role in an increasing number of disciplines.

And in the past year alone:
- 33 of our faculty received major national and international honors, and honorary degrees.
- 15 USC faculty were elected to the American Association for the Advancement of Science! That brings USC’s total to 90.
- Seven junior faculty members in the Viterbi School received Department of Defense Young Investigator Awards. This is a record for USC, and places us at the top of all American universities this year.
- And we infused our academic community with the unique insights of approximately 500 women and men who joined us as esteemed members of the non-tenured faculty.

At a time when many people see higher education under pressure, prominent scholars are drawn to an academic community that breathes an air of optimism. You serve as the magnet in this process. Put differently, an academic chain reaction is happening at USC, because of our commitment to excellence, and because of our determination to make progress on every academic front.

**Students**

For several years in a row, the Princeton Review has listed USC as a top ten dream school for aspiring college students. That is not mere hype: this year USC has 48,000 applicants for its freshman class — more than at any other private AAU institution! Applicants come from all 50 states and 98 foreign countries. That will allow us to build a freshman class of 2,700 students, representing unprecedented quality and diversity.

One in seven will be a first-generation college student. One in five will be an underrepresented minority. And one in five will be a SCion. That is what we are aiming for. International applications are well ahead of last year, particularly from China. The USC community’s skyrocketing popularity among students is no serendipity, no accident of history: we leave nothing to chance. This year, our admissions staff visited a record 2,200 high schools, more than any of our competitors. We visited 48 different states this year and 12 countries. Not only
did we visit more high schools than anyone else, we also offered more financial aid than anyone else — nearly $270 million in unrestricted financial aid from our own sources. This constitutes a 50 percent increase in four years!

Our student body now serves as a microcosm of the global future that they will need to understand and navigate; and we are ensuring that a meaningful portion of their learning can come from being immersed in major commercial and cultural centers around the Pacific Rim.

More than 2,300 USC students studied abroad in the previous year, which would rank USC sixth among American universities in the number of students studying abroad. Indeed, our students have distinguished themselves in countless ways in this past year—being named Marshall Scholars, Truman Scholars, McNair Scholars, National Science Foundation (NSF) Graduate Research Fellows, and earning other prestigious designations. Our students come to USC because they know they can have a distinct experience. We, in turn, want to keep refining that experience.

I would like to thank our provost, Elizabeth Garrett, the most talented academic leader I have ever known, for her vision in this area. The provost has been working with the Academic Senate and appropriate faculty committees to announce major changes in our entire general education curriculum that will create a true USC signature educational experience. Also, our goal for decades has been to offer our students the benefits of a premier residential university. This year, for the first time, all on-campus residences were converted into true residential colleges, led by faculty masters and resident faculty. Today, all USC freshmen live in residential colleges.

**Globalization**

In this global era, every leading university seeks to globalize. But USC has a distinct advantage, given our physical setting. Increasingly, Latin America rivals Asia as a region of growing economic power. USC will continue to connect more closely with that region. Later this month, I will lead a delegation of trustees and deans to Brazil to explore how to build academic partnerships, recruit top students, and raise support in that fast-rising nation. We will be opening a permanent new office in São Paolo, our eighth international office.

A week after commencement, we will convene our Global Conference, to be held this time in Seoul, Korea. Each of our conferences has been bigger and more successful than the previous one, drawing hundreds of Trojans and business leaders together to build a dynamic network. Last October, the provost hosted in London USC’s inaugural Global Conversation. Last spring, I led a USC delegation to Israel, where we strengthened academic partnerships with a number of elite universities.

Our Marshall School created a first-of-its-kind World Bachelor in Business degree program. This is an alliance with the Hong Kong University of Science and Technology, and Bocconi University in Milan, Italy. This multi-continental curriculum program connects three elite business schools in three global cities. More than 800 people have already applied for the 40 spaces in this program.

**Medicine**

USC has invested aggressively in this century of biology and medicine.

Today, USC’s medical enterprise represents a significant 42 percent of our overall annual budget of $3.4 billion. USC’s medical sciences research and healthcare delivery and policy efforts are assuming a central role in the life of our community. And they increasingly intersect with all other disciplines. Our Keck Hospital of USC and USC Norris Cancer Hospital have seen an enormous revenue increase over the past three years — a surge from $390 million to $621 million.

We also experienced an 8 percent increase in hospital admissions and a 26 percent increase in surgeries. The integrated Keck School of Medicine faculty practice revenues grew by 35 percent, while the number of our clinical faculty grew by 21 percent...
to 591. Eleven of our hospital specialties rank as high-performing. Our inpatient acuity rates for our Keck Hospital are always between 2.5 and 3.0. This is a powerful metric: it means that our physicians treat the most complex cases and perform the most difficult surgeries regionally, nationally, and internationally. We have the highest acuity rate west of the Mississippi.

Children’s Hospital of Los Angeles, which continues to be USC’s strongest partner and ally in pediatric care, was ranked among the top five children’s hospitals in the nation. And, the CHLA-USC Institute for Maternal Fetal Health is one of the few programs on the west coast to perform specialized fetal surgery in the womb. Our faculty are the cornerstone of our medical expertise; they have enabled us to experience strong growth. Our world-class physicians continue to develop new therapies and perform groundbreaking surgeries, such as the first total artificial heart implanted on the west coast, as well as new approaches in minimally invasive and robotic surgery for a broad spectrum of treatments. We have expanded the regional footprint of the USC health system throughout Southern California with satellite locations and an expanded affiliation with Hoag Hospital in Newport Beach. We are also in the process of merging a new hospital into our health system, with the acquisition of Verdugo Hills Hospital in Glendale.

Research
Of course, at our core, we are a research university. That means that we take seriously our role not simply to be curators of existing knowledge and culture, but to be explorers and risk-takers and creators of new knowledge and new forms of culture—in every field, in the spirit of Petrarch and Bacon.

Funding sources are under severe strain nationally, and universities have escalated the competition for limited resources. Here again, we leave nothing to chance.

Our Office of Research Advancement in Washington, D.C., has led the efforts to bring close to $290 million in new interdisciplinary awards since its inception six years ago. USC reached $454 million in federal research expenditures last year, an 11 percent increase over the previous year, as reported in the National Science Foundation’s annual survey. The five pillars of our federally funded research enterprise are the USC Dornsife College, Viterbi School of Engineering, Keck School of Medicine, Ostrow School of Dentistry, and School of Pharmacy. USC also won a NASA Astrobiology national center award in the Dornsife College, to study life in the Earth’s subsurface biosphere.

We also ranked among the nation’s top five universities in terms of corporate support. Some of USC’s most sophisticated research is contributing to our nation’s defense efforts. Our Institute for Creative Technologies has deployed “virtual humans” to classrooms and computers around the country. These cutting-edge computer-generated characters look, act, and interact like real people. The Department of Defense uses them to address depression, post-traumatic stress, and substance abuse in the military community.

Online Education
As we pioneer such digital technology, the issue arises about what the role of technology will be in education. Will digital and immersive media make a university campus obsolete? The discussions rage among academic leaders and trustees across the nation, where many claim that traditional universities will be replaced by online lecture halls that reach millions.

Yet beyond the hype, quietly and without fanfare, USC’s faculty has been experimenting with new technologies. And we have developed a global online graduate education enterprise that expands educational access broadly, while maintaining our all-important standards of academic rigor, integrity, and quality. Our own Professor Warren Bennis wrote about USC’s online enterprise in Business Week, calling it “the world’s first online education model that is both academically and financially viable.” Indeed, total annual revenues for online USC professional, graduate, and continuing education programs are expected to reach nearly $110 million this year—a figure that is unprecedented for a top American research university.

Today, USC’s online education programs reach 5,500 remote students through master’s-level degree programs and executive education programs. And we expect to double our enrollment and degree
offerings within the next five years. This year, our Viterbi School ranked first in the nation in Graduate Engineering Programs, and also first in the nation in Online Computer Information Technology Programs. The pivotal leadership of the Rossier School and the School of Social Work in developing popular online graduate programs has also been noticed.

A number of our peer institutions and their trustees have been studying our business model at USC. Many of them expressed interest in visiting our campus. We tell them that our faculty have eagerly explored and experimented with models that extend our reach, without diminishing the value and quality of a USC degree.

We also tell them that, even though USC is the world leader in digital and immersive media technologies for education, entertainment, and other purposes, USC will not franchise its distinctive undergraduate educational experience online or through satellite campuses abroad. The highly social aspect of the undergraduate years will remain centered on our campuses. It will be enhanced by technology, but never replaced by technology.

**Arts**

You have heard me say this before: science and technology are the means to an end, but the arts and humanities are our true end as complete human beings. And one of USC’s secret weapons, which is becoming the envy of other top research universities, is our strength in the arts.

USC currently has 6,000 students majoring or minoring in our arts schools. It is in all likelihood the largest number of arts students at any research university. These students and their faculty alone would constitute one of the biggest institutions for the creative and performing arts in the world.

Late last fall, the philanthropist Glorya Kaufman made an exceptionally generous gift to create and endow the USC Glorya Kaufman School of Dance and the Glorya Kaufman International Dance Center at USC. This establishes the sixth independent school for the creative and performing arts at USC.

**Athletics**

Just as the creative spirit is alive at USC, the Trojan Spirit also is richly alive. Trojan Athletics gives expression to the Trojan Spirit, and serves as the glue that holds together our Trojan Family. Last year, we saw a successful Olympics that will be remembered for generations. And the memories will involve images of Trojans.

There is the lasting image of Felix Sanchez falling to the ground after winning a gold medal in the 400-meter hurdles, and weeping over a photograph of his beloved late grandmother. There is the lasting image of Rebecca Soni and her world record performance in swimming’s 200-meter breaststroke.

They were among the 41 Trojan athletes who competed last summer in London. They took home a remarkable 25 medals. Since 1904, our university has produced 418 Trojan Olympians — more than any other school.

This year, we are excited by the addition of women’s lacrosse to our roster of Division 1 teams. This is one of the fastest-rising sports in terms of popularity at top colleges and universities. Meanwhile, our men’s tennis team won its fourth straight NCAA championship. And our men’s water polo team just won its fifth straight national title.

We are proud of Matt Barkley and the graduating seniors of the football team. They inherited adversity, and they handled themselves over the past four years with courage and class. USC football has made its home in the Los Angeles Memorial Coliseum for almost 90 years. We continue to examine the prospect of a 90-year master lease for managing and upgrading the Coliseum, one of the nation’s most venerable and beloved stadiums. We hope that approvals of the master lease from the State of California will occur this calendar year.

**Infrastructure**

We come to a major commitment of this university: a first-rate faculty and a first-rate student body need first-rate facilities. We reached a milestone when we gained unanimous approval for the new USC Village development. It was a very complex and lengthy process, but it had broad support from inside and outside USC. Eight hundred community members came to a Los Angeles City Council meeting in December to express their support, and they celebrated when the council voted unanimously — 15 to 0 — to approve our plans for the next 20 years.

This is the largest development project in the history of USC, and indeed in the history of South Los Angeles. It may be the largest single project undertaken by USC in the next 50 years. Fate has placed this responsibility on our shoulders,
and I assure you we bear it seriously. The USC Village will be an architectural masterpiece. It will look like a medieval Tuscan village redefined for the 21st century. There will be residential colleges for undergraduate and graduate students. There will be a majestic promenade, retail stores, dining establishments, coffee shops, and a feeling of community that only a great town square can offer.

We have already completed a number of other facilities this year:
• the spectacular School of Cinematic Arts Complex;
• the Engemann Student Health Center, a five-story facility that also offers an oral health center and a clinic for faculty and staff; and
• the John McKay Center, an outstanding facility that has become the envy of the Pac-12, and an excellent recruiting tool for all sports.

We also broke ground on:
• Wallis Annenberg Hall, a new building for our Annenberg School for Communication and Journalism, and
• Verna and Peter Dauterive Hall, which will serve as USC’s first interdisciplinary social sciences building.

Our USC Health Sciences Campus receives one million visits a year from patients. We intend to double that number. As such, the physical campus continues to undergo an overhaul worthy of what we expect to be the premier academic medical center of the Pacific Rim.

We are moving forward aggressively in the planning and design for:
• the Norris Healthcare Consultation Center;
• the Healthcare Consultation Center IV;
• a student-housing complex for 450 medical students and residents; and
• a first-rate, 200-suite hotel that will be a key amenity for campus visitors and guests with family members receiving treatment at our hospitals.

USC recently made a major acquisition with the purchase of a second structure at Soto Street that will provide a new home for several divisions of the Keck Medical Center. We are also paying a great deal of attention to making our campuses blossom, as we add more garden-like spaces. On the University Park Campus, we’ve planted 550 trees along with 25,000 shrubs and hedges; and 550 additional trees will be planted in the next phase. Many USC parents and alumni share their enthusiasm about the new look of the center of our University Park Campus — they refer to it as a beautiful piazza.

On our Health Sciences Campus, we’ve planted 170 new trees; and 500 more trees will be planted. We’ve also added more than 60,000 plants and shrubs. We began to place unsightly overhead power lines underground. We are improving signage; we will narrow streets and widen sidewalks. Ultimately, the Health Sciences Campus will be more pedestrian-friendly, more scenic — and every bit as beautiful as the University Park Campus!

**Fundraising**

Our ambitions to make a difference, and to have a global impact, by far exceeded the financial resources on hand to realize those ambitions. Thus, we announced the most ambitious fundraising campaign in American higher education history. Our goal: To raise $6 billion.

Yes, it came while our country was in the midst of the steepest economic downturn since the Great Depression. But it was the only way to secure our recent academic gains for perpetuity, to make new gains possible, and to build for our faculty and students a truly world-class residential university environment.

Today, as we come through some of the more difficult stages of the downturn, we have already raised $2.4 billion. We believe we have a chance to be at the $3 billion mark within three years of the campaign’s launch. That far exceeds what many national observers thought was reasonable or possible.

More than 50 percent of the money raised so far has come from 16 transformative gifts of $25 million or more, including four monumental gifts above $100 million each.

What is even more remarkable is that the rest of the money (close to half) has come from 180,000 women and men around the world, individuals who believe in USC and its mission. It reminds us that
every gift counts. Every gift makes a statement, no matter the size.

In the past two academic years alone, we have been able to make 31 new appointments to endowed faculty positions university-wide. Make no mistake about it: this university and our Trojan Family have been noticed, because of the successes we have enjoyed in just a brief period of time — and especially within this economic environment.

**Conclusion**

You can see that, even as storms have raged around the world of higher education, the USC community is coming into full flower. Times such as these are usually not considered promising by the standards of ordinary communities. It takes exceptional communities — like this one! — to find the promise, and to nurture it into being. It takes exceptional communities to spark revolutionary changes, to establish ambitious and audacious goals, and then to bring them through to conclusion.

Look back to the American forces who long ago declared their independence and their great ambitions to the British empire. For a time, Fortune did not seem to be working on their behalf. The revolutionary forces had been forced into retreat. They were under-equipped, freezing, and desperately hungry. This was no surprise. The Americans’ declaration of independence was eloquent, but it was not taken seriously in the majestic halls of London or in the capitals of other great nations.

Yet during the great ice storm on Christmas of 1776, George Washington made that fateful decision to cross the Delaware River. With their lives and their hopes hanging in the balance, the revolutionaries set themselves against the winds and the snow, the rain and the ice. They mounted that legendary offensive, which caught the British and their Hessian troops off guard. This would be the moment that startled England. This would be the moment that the world, for the first time, especially France, took notice that something new was happening here.

The Roman poet Ovid in his *Metamorphoses* reminds us that “the gods favor the bold.” Whether we speak of revolutionaries who cross treacherous rivers, or academic revolutionaries who blaze new intellectual pathways, Destiny always bends in the direction of those who take risks.

So, my fellow colleagues, USC’s academic momentum, culminating in the achievements of this year, signifies our academic community’s own risk-taking and audacious actions. USC is increasingly the talk across the nation — and around the Pacific Rim.

American higher education has noticed that USC is advancing forward rapidly — in research and teaching and innovation and patient care; in attracting new support; in building the best faculty and student body; and in creating the best physical environment possible. This is our moment! Let us recommit to working together. And let us go forward with passion, with confidence and determination. Thank you, and Fight On!
ANNUAL ADDRESS TO THE FACULTY

C. L. Max Nikias
President, University of Southern California
February 2013