

Client Focus

CLIENT PROFILE

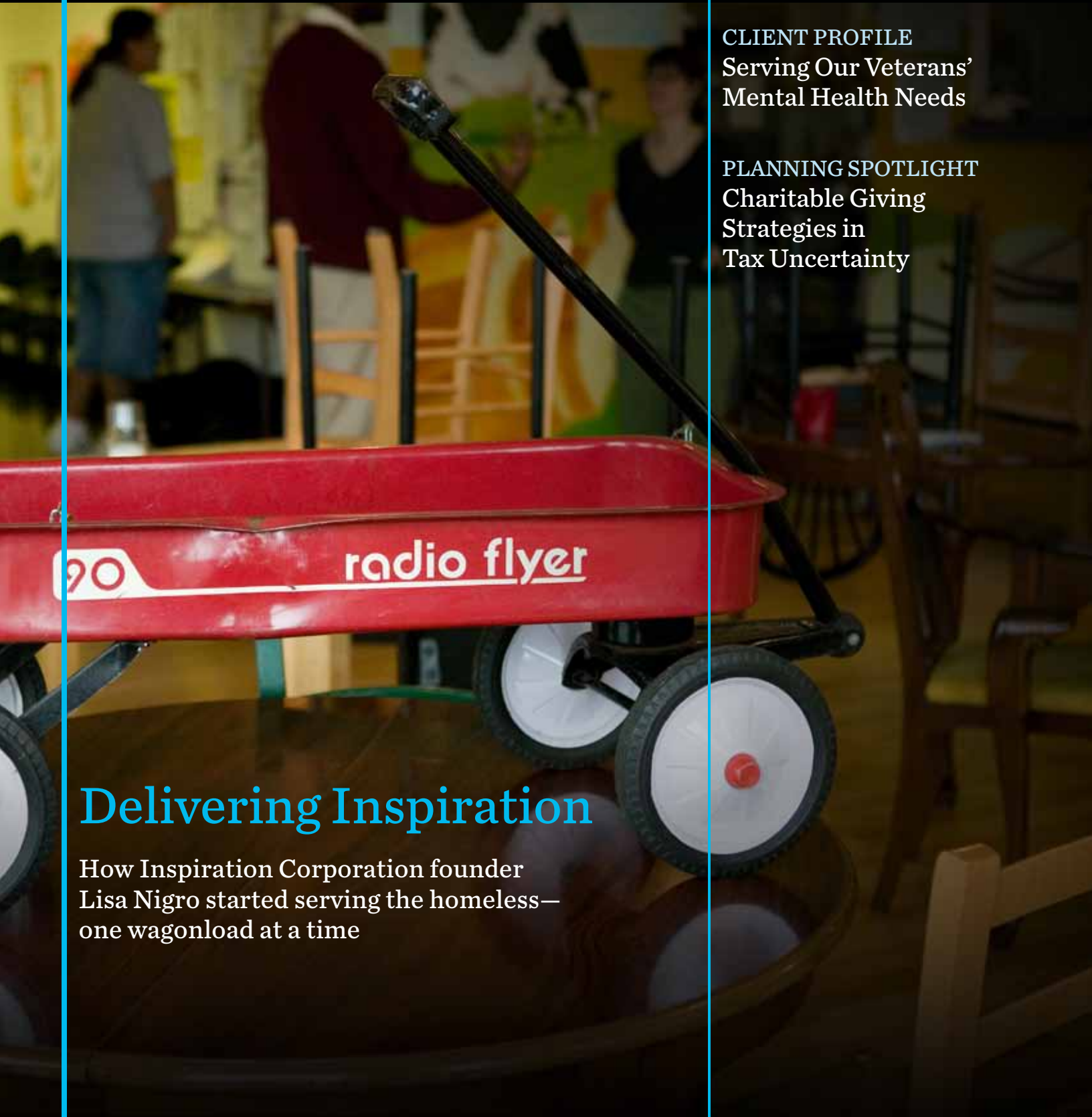
Serving Our Veterans'
Mental Health Needs

PLANNING SPOTLIGHT

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Strategies in
Tax Uncertainty

Delivering Inspiration

How Inspiration Corporation founder
Lisa Nigro started serving the homeless—
one wagonload at a time





Investing in Our Communities

Whether you read *The New York Times*, *The Times of London*, or even *The Times of India*, economic headlines for the past year have been dominated by the debt crisis in Europe. At William Blair & Company, we are continually monitoring the events in Europe, as well as other geopolitical developments around the world, to determine how these large-scale forces will affect your portfolio.

In economics, macro forces garner most of the attention. But in our communities, it is the micro-level events that often have the biggest impact. For proof of this, you don't have to look any further than Lisa Nigro, the founder of Inspiration Corporation and the keynote speaker at William Blair & Company's 2012 Women's Leadership Forum.

Lisa started out with nothing more than a red wagon full of sandwiches and coffee for the homeless and a desire to make a difference in her community. From that beginning, Inspiration Corporation has grown into an organization that provides meals, housing, and employment services to nearly 3,000 people each year. You can read more about Lisa and Inspiration Corporation on the next page.

But you don't have to reach thousands of people or raise millions of dollars to make a difference. Some of the most important changes in the world happen one person at a time.

I am extremely proud of the enthusiasm with which my co-workers at William Blair pour their hearts into their communities. From serving on the boards of not-for-profit organizations to tutoring at-risk children or working at a soup kitchen, our employees are continually finding new ways to invest their time, money, and sweat equity.

On one of the most memorable days of my 28-year career at William Blair, I was part of a team of 135 William Blair employees who worked to convert a vacant lot into a playground for the children of Broadview, Illinois.

William Blair's financial advisors are committed to helping you deliver on your philanthropic goals. By creating diversified portfolios and implementing tax-efficient gifting strategies, we focus on putting you in a position where you can give confidently, regardless of short-term swings in the market. An article on page 4 provides an overview of our recently published report examining some of the most effective charitable gifting strategies in the current tax and interest-rate environment.

Whatever it is that is close to your heart, I encourage you to look for opportunities to get involved—not just through your donations, but also through your time, talent, and leadership. It will be one of the best investments you ever make.

Thank you for the trust you have placed in us. As we continue to monitor events in Europe and around the world, we hope you are enjoying your summer at home and wherever your travels take you. I look forward to hearing from you soon.

Sincerely,

John Ettelson
PRESIDENT AND CEO

Today's Special: Inspiration

Inspiration Cafe founder Lisa Nigro didn't let a lack of restaurant training or resources stop her from serving Chicago's homeless.

Inspiration Cafe in Chicago's Uptown neighborhood is home to many amazing stories of people who have turned their lives around. But one of the most amazing stories is signified by the red wagon hanging from the ceiling of the free restaurant exclusively for people who are homeless or poor.

Starting with nothing more than a wagon full of sandwiches and coffee and a passion for serving the homeless with dignity and respect, Lisa took to Uptown's streets to serve Chicago's most marginalized residents. Today, Inspiration Cafe is part of Inspiration Corporation, an organization that helps more than 3,000 individuals and families each year increase their self-sufficiency.

As the keynote speaker at William Blair & Company's 2012 Women's Leadership Forum on May 3, Lisa told the audience that none of this would have happened if she had waited for the ideal time to pursue her passion.

"You can't wait for the perfect time to get something done. You just have to do it," said Lisa, who in 2010 was awarded the Presidential Citizens Medal, the second-highest civilian award in the United States.

In the late 1980s, Lisa was a police officer working on Chicago's West Side. On her beat she was constantly encountering the city's most desperate residents—the homeless, the poverty-stricken, the drug-addicted. Her heart told her to reach out to them, but the restrictions of her job forced her to keep them at arm's length. >>



"You can't wait for the perfect time to get something done. ...You just start doing it—one foot in front of the other."

Lisa Nigro was the keynote speaker at William Blair's 2012 Women's Leadership Forum on May 3.

It's impossible to quantify the impact Inspiration Corporation has made in the lives of the people it serves. But here are some figures that show the scope of what Inspiration Corporation accomplished in 2011 for its participants:

150

Job placements

204

Eviction-prevention grants processed

292

Formerly homeless individuals and families permanently housed

31,171

Meals served

\$65,823

Aid distributed for tuition and training assistance

Dine Well. Do Good.

The Inspiration Kitchens in Chicago's Uptown neighborhood offers a menu of contemporary American cuisine. The restaurant is staffed by students and graduates of Inspiration Corporation's foodservice training program.



Lisa, who was raised in suburban Skokie by a mother who was addicted to drugs and alcohol, decided to resign from the police force so she could dedicate her life to serving the homeless.

After reading an article about Atlanta's Café 458, Lisa, her husband, and his younger brother drove down to Georgia to check out the restaurant that served meals to the homeless and allowed the guests to order off a menu.

Lisa and her family spent four days observing and working at Café 458. She was amazed at the impact the restaurant had on its patrons. Lisa saw how being treated with dignity and respect—and even the seemingly insignificant gesture of being able to order off a menu—helped the guests regain their sense of self-worth.

“When you lose your home, you start losing your humanity because you become a number,” Lisa said. “Having a choice of what you get to eat is such a simple concept, but it's really a big deal when you have nothing.”

Lisa came back to Chicago inspired to create a similar type of restaurant to serve the homeless in Uptown, which has one of the highest concentrations of poverty and homelessness in Chicago. Lisa was short on money, equipment, and restaurant experience, but she was long on determination.

And today, the thousands of lives that have been transformed by Inspiration Corporation are a testament to what can be accomplished when you are willing to be inspired and unwilling to take “no” for an answer.

With a \$5 million annual budget and a staff of 84 workers, Inspiration Corporation provides meals, employment training and placement, housing, and social services in several of Chicago's neediest neighborhoods. The organization has four restaurants—two that serve only the homeless and two that are open to the public and serve as a training ground for Inspiration Corporation's constituents.

“[Change] happens when you have a vision, an energy, and a desire to move something forward,” Lisa said. “You just start doing it—one foot in front of the other.”

William Blair's Women's Leadership Forum brings influential women together to engage in a dialogue on issues relating to professional, financial, and personal growth. Previous keynote speakers have included Illinois Supreme Court Justice Anne Burke, financial columnist Terry Savage, and Dr. Nanette Rumsey of Northwestern University's Feinberg School of Medicine. For more information about the Women's Leadership Forum, please contact pwm@williamblair.com.

Charitable Giving: Strategies and Opportunities

With significant changes to the tax environment scheduled to take effect on January 1, 2013, it is an opportune time to review your charitable gifting strategy. William Blair has published a report that examines charitable giving strategies within the current environment of tax uncertainty and low interest rates.

The report examines how today's historically low interest rates have enhanced the potential benefits of a charitable lead annuity trust. The report also describes how donor-advised funds can provide many of the same benefits of a private foundation, but at a lower cost and with less administrative burden.

Maximizing the impact of your charitable gifts requires careful coordination of your philanthropic, tax, and investment strategies. William Blair's financial advisors can help you determine which charitable gifting strategy to use and which assets to contribute.

Please contact your William Blair representative to schedule a comprehensive review of your philanthropic strategies or request a copy of our new report, “Charitable Giving: Strategies and Opportunities.” You can also download the report at www.williamblair.com/PWM-resources.





The Edward Hines, Jr. VA Hospital, where Dr. Collins practices, is undergoing major renovations, including a new lobby and entryway that will be completed later this year.

Healing the Invisible Wounds of War

Drawing on her experience from a 30-year career in psychiatry, William Blair client Dr. Mary Collins is at the front lines of treating post-traumatic stress disorder and other psychiatric issues of our country's veterans.

As a psychiatrist with the Edward Hines, Jr. Veterans Affairs Hospital near Chicago, Dr. Mary Collins helps veterans deal with some of the dangers they face long after they leave the battlefield. Dr. Collins treats patients who suffer from post-traumatic stress disorder (PTSD), as well as a host of other mental health issues, including depression, substance abuse, and homelessness.

"It's a very high-risk population," Dr. Collins says of the VA's patient population, which is predominantly low-income and includes veterans of wars from World War II through Iraq and Afghanistan. The suicide rate for male VA patients nationwide is about 60% higher than the suicide rate for all U.S. males, according to the Department for Veterans Affairs.

Protecting those who serve

When Dr. Collins joined the staff of the Hines VA in 2006 after working in private practice and community hospitals throughout her career, she was one of 16 psychiatrists on staff. Today there are about 40.

This increase is part of a trend occurring at VA hospitals across the country. The VA is ramping up its mental health staff to address the needs of soldiers returning home from Iraq and Afghanistan, as well as veterans of previous wars.

"As the tide of war recedes, we have the opportunity, and the responsibility, to anticipate the needs of returning veterans," Secretary of Veterans Affairs Eric K. Shinseki said in an April press release announcing that the VA was adding 1,600 mental health clinicians.

The increased resources dedicated to caring for the mental health needs of Iraq and Afghanistan war veterans is a marked change from previous wars.

"These kids coming back, they are treated so much differently than the Vietnam vets," Dr. Collins says. "Awareness and acceptance of psychiatric issues is so much better than it was during Vietnam."

She says that now every soldier who saw combat action is assigned a case worker to make sure the soldier is aware of his or her benefits and gets screened for PTSD, traumatic brain injury, and physical illness.

“War often brings innovation in medicine.”

A 2008 study by the RAND Corporation found that 14% of soldiers returning from Iraq or Afghanistan suffer from PTSD. The symptoms of PTSD include hyper-arousal (constantly being on the lookout for danger), avoiding situations that trigger memories of the life-threatening event, and reliving the event through nightmares or other intrusive memories.

Treatment for PTSD has made tremendous progress over the past 10 years. Dr. Collins says that traumatic brain injuries, which often go hand-in-hand with PTSD, are the “signature injuries” of the Iraq and Afghanistan wars. As a result, much of the medical research of the past decade has focused on how to treat head injuries caused by improvised explosive devices.

“War often brings innovation in medicine,” she says.

Part of a mission

After working in private practice for most of her career, Dr. Collins enjoys the sense of purpose and collegiality she shares with the doctors, nurses, and other medical personnel at the Hines VA. “In private practice, often it is just you, the receptionist, and the patient. It can be pretty isolating work,” she says. “At the VA you feel like you are part of a mission to serve the veterans.”

Thankfully, efforts of professionals like Dr. Collins, increased resources, and advancements in the treatment of PTSD are helping soldiers cope with the mental strains of having been through a war. Still, for many veterans the conflict continues long after they leave the battlefield.

“It’s a huge adjustment to go from that kind of life as a soldier to life as a civilian ... (and) figuring out what you’re going to do with the rest of your life now that you have survived this war,” Dr. Collins says.

One should not assume that the listed client approves or disapproves of William Blair & Company or the advisory services provided.

Getting to know Dr. Mary Collins

In addition to being a psychiatrist with the Edward Hines, Jr. VA Hospital, Mary is a mother of two sons in their 20s, a resident of Western Springs, Illinois, an avid reader, an accomplished cook, and an amateur pianist.

Mary has also been a client of William Blair & Company financial advisor Steve Elkins since 1996. Elkins, whose father served in the Philippines during World War II, says, “As Americans, we all benefit from the sacrifices made by our veterans and from the care they receive after their service. My job is to manage Dr. Collins’s investments so she can focus on her profession and treating these men and women.”

“There were eight of us so there was a lot of cooking to be done”

As the second-oldest of six children growing up in Elmhurst, Illinois, Mary and her siblings rotated between cooking and other household duties. What began as a chore has turned into a passion for Mary. She loves spending hours in the kitchen preparing meals—but she says she enjoys the consumption aspect of cooking just as much as the preparation.

English major searching for a career path

Mary majored in English at Manhattanville College in New York, and began wondering what she would do for a career as she approached her senior year. Although her father was a physician (a general practitioner earlier in his career before specializing in psychiatry), it was her mother who suggested she consider medicine. During medical school at Loyola University, she discovered that she enjoyed the diverse patient population she encountered in her psychiatry rotation. She also liked that psychiatry required her to diagnose patients based only on what she could observe and sense, rather than using lab tests and equipment.

“I love my library”

Three decades of reading medical journals has only intensified the former English major’s enthusiasm for literature. She loves reading Leo Tolstoy and other Russian authors, particularly during Chicago’s sweltering summers.

“It’s like you’re in it; [it’s] just wonderful storytelling,” she says.

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EQUITY RESEARCH

An Ounce of Prevention...for Man's Best Friend

Pet wellness plans are helping pet owners keep their companions healthy. These plans also have the potential to help the veterinary industry improve its financial health, according to William Blair & Company healthcare analyst Ryan Daniels.

For a monthly fee that usually ranges from \$20 to \$30 a month, pet wellness plans cover preventive and diagnostic health services for animals. These services include check-ups, vaccinations, and dental screenings. Unlike pet healthcare insurance, however, wellness plans do not cover nonroutine vet visits for treatment of injuries or illness.

In an April research report, Daniels estimated that less than 5% of pets in the United States are covered by wellness plans, and he expects that figure to more than double by 2017. While only 16% of veterinarians offer pet wellness plans at the moment, 37% of vets say they are likely to begin offering wellness plans soon.

Pet owners with wellness plans spend significantly more on veterinary care than pet owners without

wellness plans. This is especially true during an economic downturn. "In recessionary times these owners appear much less likely to delay or skip vet visits," Daniels said. Industry studies have found that owners with wellness plans take their pets to the vet at least 50% more often than owners without these plans.

Diagnostic companies, and to a lesser extent distribution companies, stand to benefit the most from increased adoption of pet wellness plans, Daniels said. Pets enrolled in wellness programs are more likely to get a fuller range of vet services, including diagnostic tests and vet products.

To receive a copy of Daniel's industry report on the veterinarian industry, please contact your William Blair representative. For important disclosure information and a full list of the more than 550 quality growth companies covered by William Blair's equity research analysts, please visit williamblair.com/ResearchCoverage.

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