

Secrets of Success

Why would Debra Lee leave the prestige and security of a big-league law firm to work for a fledgling cable network trying to prove itself? Why does John Laytham still get excited every time a Clyde's restaurant opens? What inspires Ted Leonsis to keep coming up with new ventures in business and philanthropy? The answer: They follow their passions—and find ways to make those passions pay off for the people who work with them.

By Leslie Milk • Portraits by Forrest Greene

The five dynamic Washingtonians who will be inducted into the Washington Business Hall of Fame on November 30 have built successful enterprises that helped the area's economy grow.

More than two decades ago, *The Washingtonian*, the Greater Washington Board of Trade, and Junior Achievement of the National Capital Area created the Washington Business Hall of Fame to recognize leaders who have made this region a great place to do business.

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The Hall of Fame dinner benefits Junior Achievement and its programs to teach financial literacy and entrepreneurship to area students. In 2010, JA sent more than 2,000 volunteers into local classrooms to teach more than 36,000 students. JA and Fairfax County Public Schools have just opened the Junior Achievement Finance Park, where 14,000 middle-schoolers annually are getting hands-on lessons in money management.

For more information about the Hall of Fame dinner at the Marriott Wardman Park Hotel, contact Junior Achievement at 202-777-4473.

John Laytham
Dishing Up a Successful
Restaurant Chain



In 1963, as a freshman planning to study for the Foreign Service at Georgetown University, **JOHN LAYTHAM** got a job washing dishes at the new Clyde's of Georgetown. He was soon promoted to busboy, then waiter, then general manager.

Five years later, Clyde's owner Stuart Davidson offered to make him a partner. Laytham bought a 20-percent share with the profit he made on a house he'd purchased three years earlier for \$28,000 and sold for \$45,000. Laytham was 22. He has been at Clyde's for 47 years now, the past nine as president of the 15-restaurant chain.

Laytham is still 32 credits shy of his Georgetown degree but has never regretted choosing restaurants over the Foreign Service. "I love this business," he says, adding that customers don't hide behind diplomatic niceties: "People tell you every day whether you are doing a good job."

In 1970, he and Davidson bought downtown DC's Old Ebbitt Grill at a tax auction for \$11,200. Laytham swears by the adage "If you can't stand the heat, get out of the kitchen." Says Laytham: "I always felt confident about what we were doing."

Clyde's is one of the most successful small restaurant chains in the country. Old Ebbitt Grill is now the nation's fifth-largest restaurant in revenues, with more than \$20 million in annual sales.

The chain was the first in the area to buy farm vegetables all summer, Laytham says. He is personally involved in the restaurants' decor, seeking out artists and craftspeople to provide authentic Americana.

Laytham was one of the first to hire and promote women in

the male-dominated industry, and he does for young talent what Stuart Davidson did for him. "If you don't give them more responsibility," Laytham says, "you're not being fair to the company or to them."

That sense of responsibility extends to the community. For nine years, Clyde's supported a work-school program that's now part of the Marriott Hospitality Public Charter High School, an institution Laytham still supports. He is known for quietly aiding dozens of local charities.

One story illustrates Laytham's way of doing business. He hired Connecticut artist Kenneth von Roenn to create the leaded glass for Clyde's of Tysons Corner, then von Roenn's studio burned to the ground, with no insurance. The artist called Laytham and said, "I know you've paid me, but I've lost my studio."

"We'll just give you the money again," Laytham replied. "Start the work over."

The glow from von Roenn's glass shines down on diners every night in Tysons Corner.

Past Honorees 1988–2009

1988

Robert Fleming
David Lloyd Kreeger
J. Willard Marriott
Eugene Meyer
Flaxie Pinkett
Charles E. Smith

1989

George Ferris Sr.
Theodore Hagans Jr.
Sidney Hechinger
Thomas Pownall
Bernard Francis Saul

1990

Lloyd Elliott
Jesse Mitchell
Benjamin Rome
Edward Bennett Williams

TED LEONSIS can tell you when he knew AOL was a success. “I had a vision back in the ’80s when I met Steve Case,” Leonsis recalls. “These technologies that we were exposed to as early adopters had to be useful, easy to understand, and priced low enough so everyone would have access to them.”

But it wasn’t until AOL’s online system crashed in August 1996 and the incident made front-page news that Leonsis knew the company had succeeded. Suddenly the Internet wasn’t a novelty—it was a utility. “We had crossed over,” he says.

Leonsis is a technological evangelist and serial entrepreneur. He started his first company, Redgate Communications, a few years after graduating from Georgetown. He had an idea for a magazine that would list computer-software offerings the way *TV Guide* lists television shows, wrote a 15-page business plan, and convinced E.F. Hutton to invest \$1 million. E.F. Hutton’s chairman admitted he had no idea what Leonsis was talking about when he made the deal.

Leonsis joined AOL when AOL bought Redgate. He helped increase AOL’s membership from 800,000 to 8 million and revenues from \$100 million to \$1.5 billion before he retired in 2006.

By then, Leonsis had become majority owner of the Washington Capitals hockey team and made a deal with local sports mogul Abe Pollin to succeed him as majority owner, chairman, and CEO of the sports-and-entertainment group that

owns the Wizards basketball team, the WNBA Washington Mystics, the Verizon Center, and the Ticketmaster franchise in the Baltimore/Washington area.

In his spare time, Leonsis has become a “filanthropist,” investing in documentaries that call attention to social problems. He’s founding chairman of Snag Films, a social-media Web site that lets viewers watch and share documentaries. He serves on Georgetown University’s board, sponsors his own foundation, and is active in Best Buddies, a program that pairs college students and others with adults who have intellectual disabilities.

Leonsis wrote a book with John Buckley called *The Business of Happiness*, explaining his secrets for success. “The best businesses are double bottom-line businesses,” Leonsis says. “Every pursuit has to score high in creating a really great product and equally high in giving more than it takes from the community.”

Ted Leonsis
Turning the Internet Into Gold



Debra Lee
Network for the Black Experience



DEBRA LEE came to Washington in the early 1980s to go into politics and government. She had the right credentials—degrees from Brown, Harvard’s Kennedy School of Government, and Harvard Law as well as a clerkship with DC judge Barrington Parker. There was one problem: She was a Democrat, and the country was being run by Republicans.

Lee was practicing law at Steptoe & Johnson, waiting for the political winds to shift, when one of her clients, Black Entertainment Television founder Bob Johnson, made a surprise offer. He asked Lee to join BET as general counsel.

BET had 85 employees and one office, Lee recalls. When she joined the staff in 1986, she spent a lot of time explaining to the rest of the staff what she was doing there. But as the only generalist surrounded by TV pros, she got to do a lot on BET’s business side.

Lee was named chief operating officer and president in 1995. When Viacom acquired BET in 2000, insiders thought Johnson would stay on. Lee knew otherwise. By the time she was named chairman and CEO of BET Holdings in 2005, she had refined her vision for the network.

“For BET to be competitive, we had to do more original programming,” Lee says. The network premiered its first BET Honors, began producing two scripted shows, and launched Centric, a channel for African-American adults. In August of this year, BET aired its first documentary series, about the role of women in hip-hop.

Says Lee: “Last year was our biggest rating year ever, and 2010 is even better.” BET programming is now seen in 54 countries, from the United Kingdom to Africa to the Middle East. Stars such as Jamie Foxx and Queen Latifah are coming to BET first to pitch new shows.

Lee was the first African-American woman to receive the Distinguished Vanguard Award for Leadership from the National Cable & Telecommunications Association. She won the 2005 Madame C.J. Walker Award from *Ebony* for “best exemplifying the entrepreneurial spirit of the black businesswoman.”

She has a personal focus group to judge her success: Both of her children are BET fans and want to go into the music business.

The network’s reach may be global, but Lee is very much aware of its local roots. “It’s important to our audience that BET is in DC,” she says. “I want people here to be proud that we are a hometown company.”

1991

Robert Baker
Donald Bittinger
Willard Kiplinger
Jane Marilley

1992

Earle Palmer Brown
John Lankford
William McGowan
Thornton Owen

1993

Christian Heurich Sr.
Foster Shannon
W. Reid Thompson
Julia Walsh
Earle Williams

1994

James Banks
Edwin Holland
David Maxwell
Allen Neuharth
Jean Head Sisco

1995

Katharine Graham
R. Robert Linowes
Walter McArdle
Joseph Riley
Walter Washington

1996

Morris Cafritz
Elizabeth Campbell
Nehemiah and
Israel Cohen
Edwin Colodny
George Johnson

1997

Norman Augustine
Daniel Bannister
Oliver Carr Jr.
Stephen Harlan
Ivan Selin

1998

Sister M. Majella Berg
William Calomiris
Coleman Raphael
John Stewart
Carmen Turner

1999

Irving Goldstein
William Harps
Clifford Kendall
Catherine Filene Shouse
Robert Zalokar

2000

Bill Harris
James Kimsey
Louise Lynch
Abe Pollin
Irwin Zazulia

Times of adversity can also be times of opportunity, says **JACK LONDON**, chairman of the board of CACI International, which provides information-technology and security services to government agencies in defense, intelligence, and homeland security.

When London retired from active duty in the Navy in 1971 and joined CACI, it was a small computer-services company. As the company grew, the Department of Defense became CACI's chief client. When major cuts hit the defense budget in the early '80s, CACI turned to London to effect a corporate makeover.

London was named CEO in 1984. He transformed CACI, focusing on information technology and network services. He spearheaded 46 acquisitions to bolster CACI's capabilities to operate worldwide and offer more sophisticated, integrated security and intelligence services. He oversaw CACI's first public offering in more than 30 years and acquired the defense-and-intelligence component of American Management Systems.

The CACI that London joined in 1972 had \$1.6 million in annual revenue. CACI's revenue is nearly \$3 billion today.

In 2003, London was named CEO of the Year by the George Washington University Executive MBA Program, was named Entrepreneur of the Year for Government IT Services by Ernst & Young, and received the John W. Dixon Award from the Association of the United States Army for outstanding contributions to America's defense.

He faced one of his most difficult challenges in 2004, when CACI contract employees were linked to the mistreatment of

Iraqi prisoners at Abu Ghraib. Convinced there was no evidence implicating his people, London responded with vigor. "We pushed back over and over," he says. "The more times we went to the plate, the better it turned out. The fact that we wouldn't fire an employee who wasn't guilty—it was a huge effort but well worth it."

A self-described "determined person with a relentless approach to problems," London was the first in his immediate family to graduate from college. His appointment to the Naval Academy was a defining moment, he says. He has served on many military boards and foundations that support the uniformed services as well as on the board of the Northern Virginia Technology Council.

In 2007, London stepped down as CEO to become executive chairman, and he remains chairman of the board. "The trick in this business is in hiring, empowering, and rewarding great employees," he says. "It's awesome the work we do for the American people."

J.P. "Jack" London
Building a Defense Powerhouse



Gerald Halpin
A Visionary for Northern Virginia



JERRY HALPIN saw the potential of turning farmland into cash at an early age. His father had a little farm outside Scranton, Pennsylvania. Halpin and his brothers were allowed to sell the apples, cherries, and currants the farm produced and keep half of the profits with the understanding that they'd buy their own clothes with their earnings.

A few decades later, Halpin was working for Atlantic Research Group, which provides support and management services for biotech and pharmaceutical firms. As the business-and-construction guy, he says, "it was my job to make money for the scientists." Halpin bought land in Northern Virginia for Atlantic Research and began to see the potential for the area.

When Atlantic went public, Halpin took the profits from his stock and started his own company. In 1960, he developed one of the first regional malls, Alexandria's Landmark Center. In 1962, he bought a 125-acre farm to create a commercial/residential development. He called it West Gate because Northern Virginia was the western gateway to DC. Today we call it Tysons Corner.

"Jerry Halpin is Tysons Corner," says Bill Lecos, former president of the Fairfax County Chamber of Commerce. "He's defined it for the past 40 years."

Halpin's West Group has developed and managed more than 13 million square feet of office, retail, residential, resort, and industrial space—much of it in the Washington area. He and his associates introduced mixed-use development here—Halpin received a lifetime-achievement award from the Urban Land Institute for his responsible development. His love of the outdoors has made him a leader in preserving wilderness areas and a donor of land to

national parks. His community-service awards are numerous.

Halpin left Scranton to serve with the Navy's Seabees in World War II. He then earned an economics degree at Syracuse University, where he practiced some practical economics of his own: He bought two houses, rehabbed them with skills he learned in the Seabees, and rented out rooms. Halpin met his wife, Helen, and married her in Syracuse. He also joined the ROTC, which sent him to Georgetown law school.

The Halpins moved to Washington, and Helen went to work for Atlantic Research. When Halpin beat her boss in a poker game at a company party, the man hired Halpin on the spot, and that was the end of law school.

Halpin, 87, has sold some of his major holdings in the Tysons area. But he hasn't retired. "I work every day," he says. He's proudest of the success he has shared with his partners and employees. When their dividend checks come, he says, "that's what makes me happy." ■

2001

- Roger Blunt
- John Curley
- John Hazel Jr.
- Wilhelmina Holladay
- Mario Morino

2002

- Joe Allbritton
- A. James Clark
- J.W. Marriott Jr.
- Esther Smith
- Jack Valenti

2003

- Robert Johnson
- Austin Kiplinger
- Theodore Lerner
- Edward Mitchell
- John Tydings

2004

- Steve Case
- John Derrick Jr.
- P. Wesley Foster Jr.
- Marie Johns
- Robert Pincus

2005

- Raul Fernandez
- Fred Malek
- Herbert Miller
- Morgan O'Brien
- John Schwieters

2006

- John Akridge III
- Alexandra Armstrong
- Jeong Kim
- B. Francis Saul II
- Kenneth Sparks

2007

- Sidney Dewberry
- John McDaniel
- Vernon Jordan
- David Reznick
- David Rubenstein

2008

- Richard Fairbank
- Donald Graham
- Mandell Ourisman
- Milton Peterson
- Linda Rabbitt

2009

- David Bradley
- Margery Kraus
- Barbara Krumsiek
- Ralph Shrader
- Knox Singleton