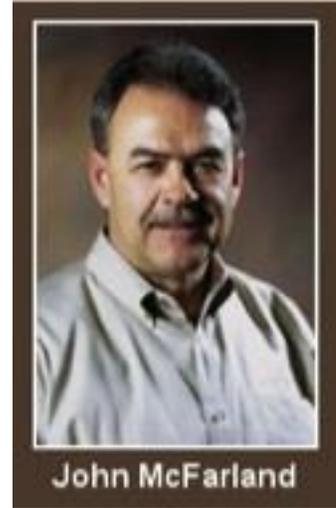


Baldor-ABB Gives \$1 Million to UA Fort Smith

A \$1 million gift to the University of Arkansas - Fort Smith Foundation from Baldor - a member of the ABB Group - has been given in honor of John McFarland's 41 years of service to Baldor Electric Co.



The gift, which was announced this week at Baldor's 2011 World Sales Meeting before more than 700 in attendance, will establish the John McFarland and Baldor Scholarship for Technology and Applied Sciences. McFarland, former chief executive officer and chairman of the board at Baldor, began his career with Baldor in 1970 while a student at UA Fort Smith when it was Westark Community College.

Dr. Paul B. Beran, chancellor at UA Fort Smith, called the Baldor gift "extraordinary."

"This extraordinary gift honors John McFarland for the value he has personally placed on education," said Beran, "but it also shows the commitment of Baldor and ABB to this community and to making this region a better place to live through education of the citizens of this region."

Dr. Marta Loyd, vice chancellor for university advancement and executive director of the UA Fort Smith Foundation, said the endowment is expected to fund an estimated \$50,000 in scholarships per year when the university begins awarding scholarships from it in a couple of years.

"We are honored to have this endowment bearing John McFarland's name and Baldor's name because of our many years of partnership dating back to when the Baldor Technology Center was built," she said. "This generous gift perpetuates the legacy of that partnership in a way that will help hundreds of students through the years."

The endowment will be used to provide scholarships for students enrolled in programs that help meet the needs of Baldor. Program options, which will result in an associate degree or bachelor's degree offered through UA Fort Smith, are in the College of Applied Science and Technology and in the College of Science, Technology, Engineering and Mathematics. Scholarship amounts

could vary from \$1,000 to \$5,000 each, depending on other scholarships the recipients might receive. The scholarships are not need-based.

The announcement of the endowment was made by Ulrich Spiesshofer, head of the Discrete Automation and Motion Division for ABB.

Loyd, who accepted the endowment on behalf of the university, said, “John is a tremendous ambassador for the university and a leader on the UA Fort Smith Foundation Board. He is always an advocate for scholarships for our students, as well as an advocate for our graduates and their value to the community. The gift is the perfect honor for him and for us. We are extremely grateful to Baldor and ABB.”

Ron Tucker, CEO and president of Baldor, spoke highly of the gift and of McFarland.

“ABB’s generous gift in recognition of John’s service will benefit our community for years to come,” said Tucker. “John has been a good friend to the employees of Baldor and to the Fort Smith area. For years, he has demonstrated his personal commitment to continuing education, and this gift will further his vision for our community.”

McFarland said he thought the endowment was “a wonderful gift.”

“I think the gift of education is probably the most wonderful gift you can give anyone,” he said. “I was just tickled to death that this was what they chose to do. In addition to that, it is such a lasting gift and will benefit our community for a long, long time.”

Loyd said the scholarships will assist those students already enrolled as a way to help them complete their degree programs, but the scholarships will also be used to recruit new students to the designated programs.

Scholarships have been the top priority in a Giving Opportunity campaign in progress at UA Fort Smith.

“This takes us to just over approximately \$41 million in the campaign,” said Loyd. “We hope to conclude the campaign in December.”

McFarland and his wife Kim personally made a \$1 million pledge to UA Fort Smith in February, which was also designated for scholarship endowments. He said at that time that they had both grown up in Fort Smith and were strong supporters of the community.

“I went to UA Fort Smith, and when I was there, somebody helped me with the expense of going to school,” McFarland said in February. “I couldn’t afford it at the time, so I’m pleased to be in a position to help someone else.”

The McFarlands have been long-time donors to UA Fort Smith, including a gift associated with the building and furnishing of the Baldor Technology Center as well as previous scholarships for business students.

McFarland worked his way up the ranks at Baldor, being named president and CEO in 2000 and chair of the board in 2004. During his 41 years at Baldor, he saw the company grow from \$20 million in sales to \$1.9 billion, ultimately leading it to become the number one market share leader in North America.

Baldor Technology Center was dedicated in October 2000. Baldor and its three leading corporate officers — including McFarland — provided partial funding for the 102,170-square-foot facility.

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