



Paul Harmel, class of 1972, was just 28 years old when he joined the company now known as Lifetouch. Little did he know that one day, he would become the organization's CEO, leading its 32,000 employees and managing its \$1 billion in annual sales.

The
Man
who captures
MEMORIES

*Educated in a small town
Taught to fear Jesus in a small town
Used to daydream in that small town
Another born romantic that's me*
– John Cougar Mellencamp

Meet Paul Harmel, class of 1972.

Just like the timeless lyrics in Mellencamp's classic song, he, too, was educated in a small town. It's called Arlington, S.D., and it's where, as a kid, he learned to hunt and fish and developed a long-standing love for shooting hoops. In 1968, Harmel and his Arlington Cardinals beat the better-ranked Parker Pheasants by a nail-biting three points to win the state high school basketball championship – Arlington's first state championship in more than 30 years.

He still remembers the hero's welcome the town gave the team after the win; still remembers what it felt like to ride down Main Street atop a fire truck during the parade.

In that same small town, he used to daydream, too – about going to college and starting a career. He wondered where life would take him.

He never dreamt though, that one day he would be chairman

National School Studios division, president and COO of Lifetouch, Inc., and president and CEO.

"I joined the company when I was 28 years old. I didn't have aspirations of being a CEO. It wasn't in my game plan," he says. "But the company was a great company with a great culture. It wasn't that big – it had 1,000 employees and less than \$20 million in annual sales. Now we have 32,000 employees and we're at more than \$1 billion in annual sales. That's tremendous growth. I was in the right place at the right time."

Capturing Memories

Today, Lifetouch Inc. is comprised of several wholly-owned subsidiaries, each of which specializes in serving the photography needs of different markets, including K-12 school portraits, yearbooks, portrait studios, church directories and corporate productions.

While technology has no doubt changed the film and photography industry, Harmel says the fundamentals of capturing and preserving memories are the same today as they were when the company was first formed in 1936.

"You can have the most beautiful art form, but if you didn't capture the essence of the image or the individual, it's no good.

"This company is owned by the employees.
I feel a great responsibility to make sure these people
who have dedicated their lives to this place
have a wonderful retirement –
that they'll get their pot of gold at the end of the rainbow."

– Paul Harmel, Class of 1972

and chief executive officer of the world's largest employee-owned photography company, overseeing thousands of employees nationwide and managing annual sales of more than \$1 billion.

"Did I want to be head of a major corporation? No. I just wanted to do the best I could. They just kept giving me more and more responsibility. Being a good Midwest kid, I just tried to do the best I could. And, the next thing I knew, they kept giving me *even more* responsibility," Harmel says, laughing.

Looking Back

Harmel came to Augustana to study accounting and play basketball but, he's the first to admit, he wasn't entirely sure about what he wanted to do professionally. He took a number of courses in physical education because, he says, he often thought about a career in coaching.

After graduation, he moved to the Minneapolis, Minn., area where he worked in insurance and later as a certified public accountant.

He joined Lifetouch (then known as National School Studios) in 1977 as a controller.

Four months into Harmel's job, Bruce Reinecker, the company's owner, transferred 100 percent of the company's ownership to its employees through an Employee Stock Ownership Plan (ESOP).

"He really wanted to make sure the employees were taken care of. In 1977, ESOPs were brand new. It was quite a generous act on his part."

After working as a controller, Harmel went on to serve in a number of roles before being named chairman and CEO in 2001 including, vice president of Finance, president of the company's

You can have the best background or the best lighting, but if it doesn't speak to the hearts of those who are buying it, it won't sell. It won't be cherished. Technology allows us to do more with an image, but the real key is capturing a good image in the first place."

"I've often said that we're in an honorable profession. For a living, we try to help people feel good about themselves – from a shy kindergartener to a mom who cherishes the photograph of her first baby."

"Lifetouch was a name that was chosen with purpose," Harmel says. "The mission was to touch lives in a positive way."

In addition to overseeing the company's strategic plan and serving as a guardian for its long-standing mission, Harmel says he is driven by a sense of responsibility to the Lifetouch team.

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Harmel credits his "well-rounded" experience at Augustana with helping him throughout his career.

"I had great mentors at Augie. From my advisor, Professor Paul Eggers, to Pastor Pete, to my coaches, including Dr. Ken Kessinger, Mel Klein and Ed Stevens."

In recognition of Harmel's contributions to the world of business and to the community, he was awarded an Alumni Achievement Award during Viking Days 2011.

"I really felt that [Augustana's liberal arts education] gave me an understanding of all kinds of things that helped me move into life and jobs and careers. When you're exposed to many ideas, you gain the confidence you need to move forward with anything."