Directorship 100

Welcome to the third edition of the *Directorship* 100, the who's who of the corporate governance community, or, more accurately defined, the most influential people in the boardroom. When we set out three years ago to identify those 100 individuals who exert the most profound influence on the boardroom agenda, it seemed like a daunting task: so many stakeholders in business, government, and the shareholder community, but too few places on the roster by order of magnitude.

What we also discovered in putting the list together was that in some instances, it became impossible to separate the captain from the team. This year's D100 is a case in point: Our editors and board of advisors were nearly unanimous in our selection of President Barack Obama as this year's most powerful corporate governance influence. And yet, to do justice to the seismic shift his policies have brought about in the boardroom, we also had to recognize the many other "New Voices" in the Administration who are now leading the greatest financial reform of American business since the 1930s.

So, we ask that in the pages ahead you pay more attention to who counts, and less to how we count, in arriving at our final selection of individuals and institutions that have met the requirement to be "most influential." We think you'll agree it's an intricate and impressive mosaic where the whole equals much more than the sum of its parts, which may or may not be greater than 100.

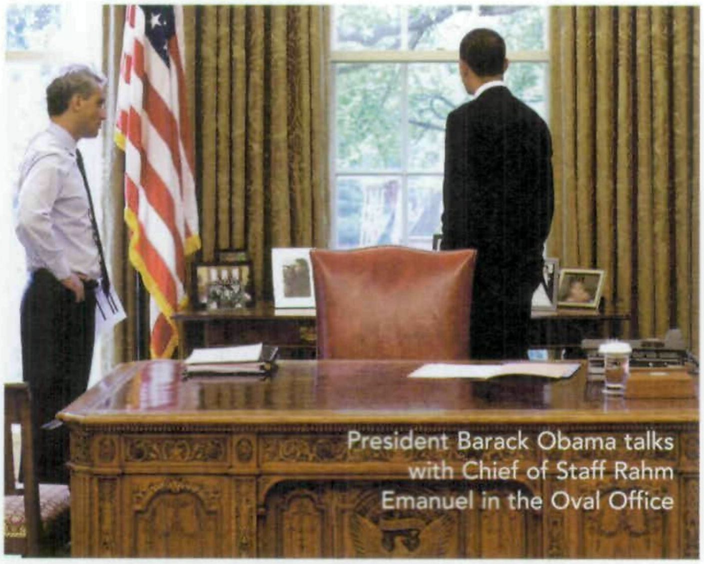
GREG COPELAND

REGULATORS AND RULE MAKERS

Team Obama

It is often written that reasonable people may disagree, and with Americans and their Presidents, it is practically a way of life. But even an unreasonable person could only conclude that this President and his Administration are having a profound and lasting influence over the boardroom. **President Barack Obama** has demonstrated an enormous capacity for calm in uncertain times. His relative youth leads to frequent comparisons to John F. Kennedy and his communications skills to those of Ronald Reagan. But it is his aggressive response to the unparalleled economic challenges that greeted him at the dawn of his young presidency that harkens back to an earlier figure of towering influence, Franklin D. Roosevelt.

FDR's massive social and financial reform programs—the creation of Social Security as part of the New Deal, the establishment of the Securities and Exchange Commission (SEC) and the Federal Deposit Insurance Corp. (FDIC)—helped restore confidence in the nation's banking system coming out of the Great Depression. One could plausibly take major portions of FDR's New Deal and substitute his name with President Obama's. The implementation of the $787 billion American Economic Recovery Act one month after Obama took office, coupled with his handling of the Troubled Asset Relief Program (TARP), which sought to strengthen the financial sector by buying up assets and equity from troubled banks, has clearly helped the nation avoid further financial disaster and put the economy on the path to recovery.



President Barack Obama talks with Chief of Staff Rahm Emanuel in the Oval Office

And finally, turning again to the FDR playbook, Obama assembled a team of wise men and women, formidable economic and business minds, whose decisions are having a lasting effect on the role of the corporate director. Preeminent among them was the choice of **Rahm Emanuel** as chief of staff. Described as a veritable "influence machine," within the Administration and Congress, the former Congressman from Obama's home state of Illinois is known as a hard-charging, brutally candid, sometimes combative, acutely intelligent man who can get things done and knows the ways of the Capitol and the boardroom.

Mary Schapiro

The Enforcers

Perhaps second only to Obama in terms of her influence on boards and corporate governance, career regulator **Mary Schapiro** heads up the 75-year-old SEC. Before the crisis, the agency's very existence was in question: "Obsolete," "out of touch," and "behind the times" were just some of the many terms uttered by detractors. The Commission, under former chairman Christopher Cox, was pilloried for missing the Madoff scandal.

As former SEC chairman and *Directorship* 100 Hall of Famer, Arthur Levitt described her: "She has the skills, the intellect, and the character to be a superb SEC chair." But Schapiro will face a new kind of challenge in the role, not just that of proving her own qualifications, but also instituting a significant remodeling of the SEC itself, as she works to bring it into the new regulatory era.

Moving swiftly to address regulatory concerns in the wake of the financial crisis, the SEC has rolled out a series of proposals that could embody the biggest change to the rules of the game for directors in some time. Schapiro, who is no stranger to the boardroom, having served on the boards of Duke Energy and Kraft Foods, has overseen proposed rule changes on proxy access, broker voting, say on pay, and new requirements for disclosure on executive compensation and director qualifications. It's now up to her and fellow commissioners **Kathleen Casey**, **Elisse Walter**, **Luis Aguilar**, and **Troy Paredes** to determine the final regulations that emerge from the proposals.

Other key players Schapiro has brought into the SEC include Senior Advisor **Kayla Gillan**, Chief Accountant **James Kroeker**, and Director of Enforcement **Robert Khuzami**. Gillan was a founding board member of the Public Company Accounting Oversight Board (PCAOB) and former general counsel to CalPERS. Kroeker joined the SEC as deputy chief accountant in 2007 from Deloitte and Touche where he had been a partner in the firm's national accounting services group. Kroeker recently said that the proposed road map for the convergence of International Financial Reporting Standards,

PETE SOUZA/MAI /LANDOV

pushed to the back burner amid the larger issues of market reform, would be restored as another top priority. Khuzami, a former federal prosecutor, has pledged to improve the SEC's enforcement performance by creating specialized units to provide "structure and resources for staff to 'get smart' about certain products, markets, regulatory regimes, practices, and transactions."

TARP Overseers

Another example of Obama's preference for brains over politics was his reappointment of **Sheila Bair** to chair the FDIC. Another fiscally conservative Republican, on Bair's watch alone this year, 94 banks have failed, creating a new challenge: how to replenish the fund. Bair has also been an integral part of the team overseeing TARP. **Neil Barofsky** is a former New York assistant attorney general confirmed by the Senate in December as special inspector general. Dubbed the "TARP Cop," his job is to figure out how and where the $700 billion TARP funds are spent, reporting directly to the President and providing updates to the Congressional Oversight Panel, chaired by bankruptcy expert and Harvard Law School professor, **Elizabeth Warren**. COP's first report, released in February, castigated then-Treasury Secretary Henry Paulson for his performance and lack of transparency, reporting that the Treasury Department

Fed to the Rescue

To prevent American capitalism from spiraling deeper into the abyss, nine months after President Obama made his first Cabinet announcement, he re-nominated **Ben Bernanke** as Federal Reserve chairman. The former Princeton economics professor was selected by Bush in 2005 to succeed Alan Greenspan. In 2008 after the market crashed, Bernanke invoked emergency powers, slashed interest rates, and spent trillions of dollars to right the financial system. Just last month, he declared the recession "likely over." Though he seldom gives interviews, Bernanke is never far from the public eye and has been a stalwart in the transition between presidential administrations and in the effort to stem the economic slide.

When then President-elect Obama named his economics team, it included players who, like Bernanke, were already steeped in the crisis details, demonstrated a studied understanding of Depression-era economics, or some combination of both. Enter Treasury Secretary **Timothy Geithner** and Chief White House Economic Advisor **Lawrence H. Summers**. Geithner, who is currently pushing legislation to provide more systematic regulation of financial institutions, including new limits on executive compensation, recently told one interviewer that he is optimistic major reforms will be passed.

Prior to his appointment replacing Henry Paulson, Geithner was president of the Federal Reserve Bank of New York and part of the team central to the critical negotiations that resulted in Bear Stearns being tucked into JPMorgan Chase, Merrill Lynch going to Bank of America, Lehman Bros. disappearing, and Citigroup and other struggling banks getting a lifeline.

Summers, the former Harvard University economist who became its president following his tenure as Treasury Secretary to President Clinton, is director of the Cabinet's National Economic Council. The group was established in 1993 to coordinate and ensure that the President's economic policy agenda is carried out.

Rounding out the team, **Paul Volcker**, the former Fed chief under Clinton, was selected to chair the president's economic recovery advisory board. And **Christina Romer**, a former UC Berkeley economist, who administration sources suggest is well-regarded by both parties, chairs the Council of Economic Advisers. Her appointment was seen as a further triumph of brain over politics in Obama's approach to talent recruitment.

KEVIN DIETSCH/UPI /LANDOV

Left to Right: Christina Romer, Timothy Geithner, Lawrence Summers, and Obama

REGULATORS AND RULE MAKERS

had overpaid by $78 billion for the assets it bought from banks.

Interestingly, while Obama sponsored and was a strong proponent of "say on pay" legislation while a senator, since appointing **Kenneth Feinberg** special master of compensation, he has appeared unwilling to make the issue a top priority. Feinberg, who has immersed himself in some of the country's most troublesome and high-profile cases, is considered a superb choice, both in terms of skill and temperament, by Capitol Hill insiders. His most noteworthy case was the 33 months of pro-bono work he did following the 2001 terrorist attacks to determine how much each victim would receive from the federal government's September 11th Victim Compensation Fund.

Feinberg may in fact be perfectly suited for a job that most compensation specialists see as thankless, and possibly as a "no win" situation. As the Obama Administration's comp expert, Feinberg was called on to monitor the compensation of executives in what were once some of America's most prestigious corporations, now TARP recipients, including American International Group (AIG), Bank of America, Citibank, Chrysler, GMAC, and General Motors.

The New Anti-Trust Regime

While the SEC creates the rules, it's up to the Department of Justice to investigate and pursue criminal actions and other violations. Key players are Attorney General **Eric Holder** and **Christine Varney**, assistant attorney general for anti-trust. Clearly, Team Obama is raising anti-trust issues to the forefront. The Administration's stance on anti-trust was on display when the Federal Trade Commission launched an investigation into Apple and Google, alleging that the fact they share directors could amount to collusion. Google chief Eric Schmidt resigned from Apple's board in August, but Arthur Levinson, chairman of Genentech, remains on both boards. Steve Jobs apparently agreed. Commenting on Schmidt's departure, Jobs said: "Eric's effectiveness as an Apple board member will be significantly diminished, since he will have to recuse himself from even larger portions of our meetings due to potential conflicts of interest."

Barney Frank and Henry Waxman, U.S. Congress

His belief that the financial crisis was caused by the free market run amok has led Congressman **Barney Frank**, chair of the powerful Financial Services Committee, to host a series of hearings on bank regulatory reform before going to work on legislation to overhaul the system. The 69-year-old, 15-term Massachusetts Democrat grilled Treasury Secretary Timothy Geithner and experts on risk, derivatives, and other banking reform measures; examined the proposed Consumer Financial Protection Agency; and explored problems with credit rating agencies. He's also a leading proponent of say on pay, arguing that excessive compensation resulted in "perverse incentives" for executives who took outsized risks to collect enormous paychecks. In a recently published biography, *Barney Frank: The Story of America's Only Left-handed, Gay, Jewish Congressman*, Frank reveals that he would like to cap his political career with a Cabinet position. Frank last year rose to the top of the list of D100 influentials largely due to his powerful role and his activist approach to regulation in financial services reform.

Another influential congressman is Califonia's **Henry Waxman**. As chairman of the influential U.S. House Oversight Committee, he has been outspoken on what he sees as the abuses in executive compensation. Last year, he sent letters to chief executives participating in the TARP program, asking them to provide information about the total compensation paid or projected to be paid to the ten highest paid employees for the last three years.

Senator Chuck Schumer

Christopher Dodd and Charles Schumer, U.S. Senate

If Barney Frank has a political counterpart in the Senate, it would be Connecticut Democrat Senator **Christopher Dodd**. The chairman of the Banking Committee was reported to be considering relinquishing that post to take over the Health, Education, Labor, and Pensions Committee following the death of his longtime friend and ally, Senator Edward M. Kennedy. Staying put, however, will allow him to continue to oversee what is expected to be wholesale reform of financial industry regulation, assuming he is reelected. The senior senator has been dogged by scandal and has been criticized for failing to address the financial crisis sooner. He also found himself defending his wife's right to serve on corporate boards. He penned an op-ed in the *Hartford Courant* in May after Jackie Clegg Dodd was taken to task for serving on the board of Blockbuster.

If Dodd's colleague, the senior Senator from New York, has his way, **Charles Schumer's** name could become synonymous with shareholder rights in much the same way that *Directorship* 100 Hall of Famers Paul Sarbanes and Michael Oxley have become associated with accounting reform. Schumer's "shareholder bill of rights" would give the SEC the authority to grant shareholders access to the corporate proxy for nominations to boards of directors. Some fear the bill would give union-backed shareholders who hold a small interest in a company the leverage to promote and influence their own agendas. Shareholders, including unions, could run a competing slate of board candidates. Schumer's bill also addresses executive compensation, requiring companies to obtain shareholder approval for executives' "golden parachutes."

The Delaware Courts: Myron T. Steele, William B. Chandler III, Leo E. Strine Jr.

Nearly 100 miles north of Capitol Hill lies another major center of influence for boards—the Delaware court system. "Directors' decisions must be reasonable, not perfect." That sentence in one of the Delaware courts' key decisions of last year allayed worries that civil courts would second-guess decisions made by corporate boards. The resolution of *Lyondell Chemical Co. v. Ryan* before the Delaware Supreme Court strengthened the protection of director decisions made in "good faith." As reported in a *Directorship* cover story earlier this year, Delaware's famed Chancery and Supreme Courts have remained unrivaled over the last 200 years. The sober reputation as the nation's preeminent court system for litigating business disputes includes **Supreme Court Justice Myron T. Steele** and, of the Chancery Court: **Chancellor William B. Chandler**, and **Vice Chancellors John W. Noble, Leo E. Strine Jr., Donald F. Parsons Jr.**, and the newly confirmed **Travis Laster**. In July, the Delaware Chancery Court applied one of its first applications of the Delaware Supreme Court's ruling in *Lyondell*. In so doing, the Chancery Court, in *Wayne County Employees' Retirement System v. Corti*, dismissed all shareholder claims stemming from a sale-of-control transaction, including a claim that the board had violated its duty of loyalty in negotiating and approving the transaction.

The Exchanges

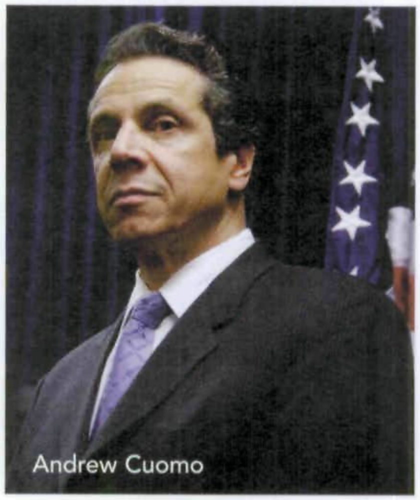
The tenure of **Duncan Niederauer**, CEO of NYSE Euronext, has coincided with the most turbulent business period in NYSE history, yet the institution has emerged from this period with its reputation not only intact, but enhanced. It is also seen by many of our readers as an outstanding resource for directors as well as an example of proven, intelligent corporate governance, both in its own dealings and its standards for listed companies (3,864 at the NYSE). The enormous impact that the NYSE Euronext has had on corporate America includes director committee independence, providing for executive sessions at board meetings, increased authority of the audit committee, and CEO certifications. Look for Niederauer to move forward on a number of initiatives in the coming year, including a modified uptick rule. **Deputy Chairman Marshall Carter** is charged with ensuring that the exchange operates with the same standards of corporate governance it expects from its listed companies.

Robert Greifeld, CEO of Nasdaq OMX, has emerged as a significant force in corporate governance. Appropriately for a global exchange, the Nasdaq OMX board of directors may be among the most international in composition of most U.S.-based companies. The exchange has 3,700 listed companies in addition to powering the operations of over 70 other exchanges who use the firm's technology in 50 different countries. Despite an economic downturn that affected not only its issuers but Nasdaq OMX's own share price, CEO Robert Greifeld kept the firm's focus on international expansion, improved listing standards, and made aggressive moves into new technologies. Nasdaq's influence over boards comes from its listing standards and some newer products, such as educational and information initiatives for directors and online board tools.

Robert Greifeld

Andrew Cuomo, New York Attorney General

With Wall Street in his district, New York Attorney General **Andrew Cuomo** is among the nation's most aggressive elected law enforcement officials. Some wags in the Empire State expect him to push out sitting Governor David Paterson to seek the top job for himself. Meanwhile, Cuomo has focused no small amount of energy digging at discrepancies among bankers who received TARP funds and companies within his purview, such as AIG, that paid employee bonuses with taxpayer funds. In July, he released a review of bonuses paid to bank



Andrew Cuomo

CHIP EAST/REUTERS /LANDOV

DIRECTORS

employees, noting the rewards far exceeded any profit. At press time, Cuomo issued subpoenas to five Bank of America directors, each of them current or former audit committee members, to find out what they knew about Merrill Lynch & Co.'s problems as the two companies prepared to merge.

DIRECTORS

Goldman Sachs board

Goldman Sachs' management was ahead of the curve in its focus on risk oversight, guided by its discerning board, so the company endured and persevered during the darkest days of the Great Recession at a time when other large financial institutions were crumbling. Director **William W. George** brings his experience as CEO of Medtronic from 1991 to 2001 and as chairman from 1996 until his retirement in 2002. George currently serves as professor of management practice at the Harvard Business School. He also sits on the board of ExxonMobil. Having served on Goldman's board since 2006, **Rajat K. Gupta**, senior partner emeritus of McKinsey & Co., also sits on the boards of AMR, Genpact, Harman International, and Procter & Gamble. Goldman Chairman and CEO **Lloyd C. Blankfein**; **Gary D. Cohn**, president and COO at Goldman; **John H. Bryan**, retired chairman and CEO of Sara Lee; **Claes Dahlbäck**, senior advisor to Investor AB; **Stephen Friedman**, chairman of Stone Point Capital; **James A. Johnson**, vice chairman of Perseus; **Lois D. Juliber**, vice chairman of Colgate-Palmolive; **Lakshmi N. Mittal**, chairman and CEO of ArcelorMittal; **James J. Schiro**, CEO of Zurich Financial Services; and **Ruth J. Simmons**, president of Brown University, comprise the rest of Goldman's board.

Norman Augustine, Black & Decker

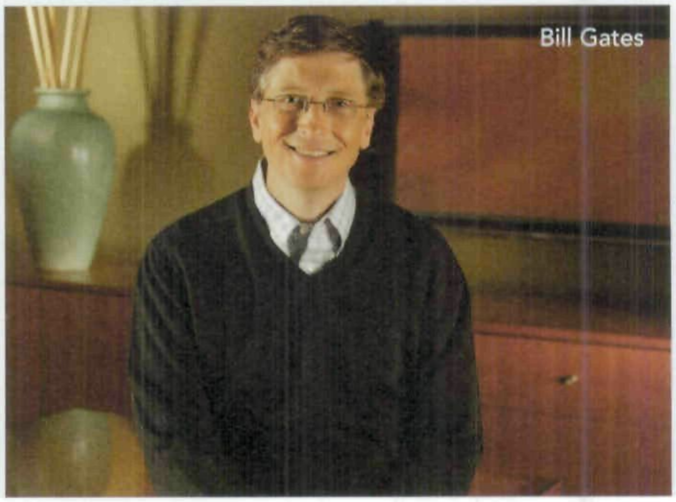
Retired chairman and CEO of Lockheed Martin Corp., **Norman Augustine** sits on Black & Decker's board. Augustine previously served in roles with Douglas Aircraft and Vought Missiles and Space before joining the U.S. Department of Defense, where he served as Undersecretary of the Army. In 1990, he chaired the Advisory Committee on the Future of the U.S. Space Program. He previously served on the board of ConocoPhillips. Augustine has received a great deal of recognition, including five times being awarded the Department of Defense's highest civilian decoration, the Distinguished Service Medal. This year he was honored with a National Association of Corporate Directors (NACD) Lifetime Achievement award.

Marilyn Carlson Nelson, ExxonMobil and Carlson Cos. (NACD Director of the Year)

Marilyn Carlson Nelson is no stranger to the spotlight, having been singled out as the Public Company Director of the Year by

Microsoft Board of Directors

With an all-star cast of directors, the board of Microsoft features leaders whose expertise lies in an array of industries. Chairman **Bill Gates** steers Microsoft's board, having transitioned out of his daily role in the company back in June 2008. The company he constructed in 1973 from his Harvard freshman dorm room (down the hall from now-CEO **Steve Ballmer**) with childhood friend Paul Allen has since a veritable global juggernaut. Gates also sits on the board of Berkshire Hathaway, whose CEO, Warren Buffett, shares his passion for philanthropy and bridge. Gates and his wife, Melinda, started The Bill & Melinda Gates Foundation, which supports philanthropic initiatives in the areas of global health and learning. While Gates helps steer the board, **Dina Dublon**, former CFO of JPMorgan Chase, lends her financial acumen to Microsoft's board. Having served as executive vice president and CFO for JPMorgan Chase, Dublon was responsible for global financial management and reporting, acquisitions, corporate treasury and investor relations. **Charles H. Noski**, former vice chairman of AT&T, brings his extensive leadership prowess to Microsoft's board, having retired from AT&T in 2002 after completing the company's major restructuring. He also served as corporate vice president and CFO of Northrop Grumman. Rounding out the Microsoft board of directors: CEO Steve Ballmer; **James I. Cash**, James E. Robison professor and senior associate dean emeritus at Harvard Business School; **Raymond V. Gilmartin**, former chairman, president and CEO of Merck; **Reed Hastings**, founder, chairman and CEO of Netflix; **Maria M. Klawe**, president of Harvey Mudd College; **David F. Marquardt**, general partner of August Capital; and **Helmut Panke**, former chairman of the board of management at BMW AG.


Bill Gates

DIRECTORS

Marilyn Carlson Nelson

the NACD earlier this year. While her time on the board of ExxonMobil propelled her to the front of the nominees, she has played a major role in the good fortunes of a variety of other companies. In addition to ExxonMobil, where she has served as a director since 1991, she is chairman of Carlson Companies, the hospitality conglomerate that worldwide employs approximately 160,000 workers. She was CEO of Carlson until 2008.

Barbara Hackman Franklin, Aetna and Dow Chemical

While flipping through the channels on your television, don't be surprised to see **Barbara Hackman Franklin**, president and CEO of Barbara Franklin Enterprises, on the PBS *Nightly Business Report*, where she is a regular commentator. She also sits on the boards of Aetna and Dow Chemical. Her corporate governance expertise is utilized at NACD, where she also serves as chairman. From 1992 to 1993, she served as the 29th U.S. Secretary of Commerce. She is the recipient of the John J. McCloy Award for contributions to audit excellence and the Director of the Year Award from NACD.

Barbara Hackman Franklin

Donald Keough, Coca-Cola and Berkshire Hathaway

Chairman of Allen & Co., the boutique investment bank started back in 1922, **Donald Keough** also serves on the boards of Coca-Cola, Berkshire Hathaway, and IAC/InterActiveCorp. Keough is among a select group of retired CEOs who now primarily serve on some of the globe's most important boards. Author of *The Ten Commandments for Business Failure*, Keough lends experience stemming from his 60-year career, including his relationships with colleagues such as Warren Buffett, Bill Gates, Jack Welch, and Rupert Murdoch.

Walter E. Massey, Bank of America

A former physicist who once led two of the nation's premier scientific organizations is now helping restore the battered financial-services industry. **Walter Massey**, formerly director of the Argonne National Laboratory and the National Science Foundation, serves as chairman of the board of Bank of America and is president emeritus at Morehouse College in Atlanta, having served as its president for 12 years. Massey currently serves as director of McDonald's and previously served on the boards of Delta Airlines, Motorola, and BP.

William E. McCracken, CA Inc.

William E. McCracken is interim executive chairman at CA Inc. and previously served in numerous executive positions at IBM throughout his 36-year tenure there. McCracken joined CA's board in 2005, serving as chairman of its special litigation committee. He is currently president of Executive Consulting Group and a director at IKON Office Solutions.

Harry Pearce, Nortel Networks

Head of the Chairman's Forum, a peer organization of independent chairmen of North American boards started in conjunction with the Yale School of Management's Millstein Center, **Harry Pearce** also serves as non-executive chairman of Nortel Networks Corp., and non-executive chairman of MDU Resources Group. Pearce is former chairman of Hughes Electronics, a GM division sold in 2003.

Edward Whitacre, General Motors

Edward Whitacre, chairman of embattled General Motors, is now putting his formidable skills to work trying to define the new GM. Recruited out of retirement in July by the U.S. Treasury, which is backing GM's resuscitation, Whitacre offers his experience as chairman emeritus and former chairman and CEO of AT&T. He also sits on the boards of Burlington Northern Santa Fe Corp. and ExxonMobil.

Edward Whitacre

CHIEF EXECUTIVE OFFICERS

Jeff Bezos, Amazon.com

Though online shopping is now as ubiquitous as sliced bread, Ziploc baggies, and other modern marvels, just 15 years ago **Jeff Bezos** was working in largely uncharted territory. The founder of Amazon, Bezos was arguably the first entrepreneur to realize the lucrative benefits of doing away with the traditional brick-and-mortar storefront; his meteoric rise to success from online bookseller to the largest retailer on the Web is testament to both his leadership and his willingness to take risks. A tech-savvy thinker from an early age and a personable yet intense micro-manager who says he is obsessed with meeting customers' needs, Bezos proceeded unerringly to take advantage of the e-commerce revolution. *Time* named him the person of the year in 1999, and, 10 years later, his legacy seems secure.

Warren Buffett, Berkshire Hathaway

If there's one *bona fide* superhero of the investment world, it is of course **Warren Buffett**, the Oracle of Omaha, who, throughout an impressive career, has consistently served as the model towards which all other investment minds should strive. Buffett's biography has been told again and again, with all the usual apocrypha tacked on, but there is one key fact that deserves repetition: Berkshire Hathaway gains have beat out the S&P 500 by 11.4 percent over the last 43 years, an unparalleled consistency, and just one of the many, many reasons for Buffett's return to the *Directorship* 100.

Steve Jobs, Apple

Apple's messianic leader has been the face, brain, and heart of the tech leader since its founding in the 70s, taking the company through waves of groundbreaking technological upgrades. Despite leaving the company for more than 10 years, **Steve Jobs**' return as CEO in 1996 has ensured that Apple remains on the forefront of innovation. Described as a consummate marketeer devoted to aesthetics and design, as well as a trend-setting visionary, Steve Jobs has succeeded in making Apple a perennial blue chip, with its recent stock surge a hefty reward for investors who kept the faith through the recession. There is simply no way to discount Jobs' impact at Apple: as the brief public flare-up over his recent illness and liver transplant demonstrated, he is truly the soul of one of the world's most dominant enterprises.

Muhtar Kent, Coca-Cola

Muhtar Kent started his career with Coca-Cola as a truck driver and proceeded through the company's marketing and logistics channels for 30 years, excluding a six-year sojourn heading Turkey's Efes Beverage Group. Moving from trucker to manager, Kent quickly became an influential figure in Coca-Cola's international operations, including overseer of the company's businesses in Eastern Central Europe. His work at the head of Efes saw a monumental expansion of the company's growth, including a spectacular 250 percent climb in market capitalization. He returned to Coca-Cola in 2005, finally becoming the chief executive last year and its chairman earlier this year, just in time for his debut on the *Directorship* 100 stage.

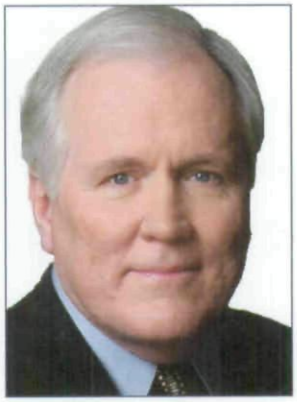
Lloyd Blankfein, Goldman Sachs

One of the few financial services firms to make it through the financial crisis without disintegrating losses or a public scandal, Goldman Sachs has proved its mettle as a holding company née investment bank of global renown, as has its current leader, Chairman and CEO **Lloyd Blankfein**. Having worked in one capacity or another for Goldman Sachs for 25 years, Blankfein was named as Henry Paulson's replacement in 2006. Three years later, Blankfein has kept a steady hand on the tiller, with Goldman showing impressive first- and second-quarter profits in 2009. Vanity Fair recently boosted Blankfein from number 20 to number 1 in its annual list of "100 Information Age Powers." The son of a Brooklyn postal worker, Blankfein is a Harvard Law School graduate who initially set his sights on the Supreme Court. Instead, he made his name in the world of securities trading. Time magazine recently reported that "Goldman Sachs under Blankfein has recalibrated, in very large numbers, its place as Wall Street's most astute, most opaque, and most influential firm...Goldman's stock has more than tripled since its low last November, to more than $160 per share." Blankfein understands that at the core of any successful business is the relationships that exist between fellow professionals: "Life is always about contracts that you make with people. Very few of them are written. Most of them are implicit, and most evolve out of a course of dealing and understanding. And if you are good for your people, they'll be good to you."

CHIEF EXECUTIVE OFFICERS

Ed Liddy, formerly of AIG

Though **Edward Liddy** has had a long and varied career within the financial industry, history may remember him best for the tumultuous year he served at the helm of American International Group in the midst of the credit crisis. Liddy's shotgun wedding to AIG (presided over by Reverend Paulson) forced the former Goldman Sachs director to take the controls just as his employer was to post the worst year on record, with a bailout, a bonus controversy, an angry public, and the largest ever single-quarter loss awaiting him. Liddy, who was being more than public-service minded when he took on the role, is proof that, when dealing with government, few good deeds go unpunished. He was quickly drawn into a whirlwind over compensation and bonuses at the troubled insurer. With AIG's reins entrusted to a successor, we would strongly remind readers that Liddy's legacy draws on his remarkable perseverance, spirit of public service, and successful leadership at Allstate, rather than the tumbling dominos that became the AIG story.



Ed Liddy

Alan Mulally, Ford

Having refused government aid even as GM and Chrysler swore they would enter bankruptcy without it, Ford managed to pull out a second quarter profit of $2.3 billion this year. Much of Ford's relative stability can be attributed to the smart management tactics of President and CEO **Alan Mulally**, who recently implemented executive pay cuts and other cost-cutting measures. Having joined Ford after a successful 27-year tenure at Boeing, Mulally's leadership should keep the automaker intact until the return of clear skies. His non-automotive background was cited when the Treasury recruited Ed Whiteacre, another "non-car" executive, to run the new GM.

Samuel Palmisano, IBM

A 35-year veteran at IBM, **Samuel Palmisano** has made it to the top of the corporate ladder, holding the chairman, chief executive, and president titles at the world's largest information technology company. In his years with the company, Palmisano has worked to keep the company in the vanguard, having established IBM's Global Services arm, and maintaining the company's global relevance. As he said in a recent speech, "The world will continue to become smaller, flatter, and smarter. We are moving into the age of the globally integrated and intelligent economy, society, and planet. The question is, 'What will we do with that?'" Though IBM had a rich corporate history prior to Palmisano's arrival, his wise oversight affirms that similar triumphs are yet to come.

Steve Ballmer, Microsoft

Though Microsoft's outspoken and larger-than-life chief executive may not have been there since the beginning, **Steve Ballmer** has had a career that measures up to that of company chairman, founder, and international business icon Bill Gates. In his nearly three decades with Microsoft, Ballmer, the software company's first manager, has become a beacon of confidence and inspiration for the company's nearly 100,000 workers. Working with Gates since 1980 to evolve the fledgling software maker into the computing powerhouse it is today, Ballmer organized the company's labor and operations while Gates handled the company's product line; the result has been consistent returns to shareholders since Microsoft's initial public offering in 1986. Though Ballmer is often seen as an effusive, and sometimes volcanic presence—largely based on a popular selection of his speeches at company events sometimes referred to as "CEO gone wild"—he is at heart a brilliant, thoughtful, and purposeful corporate leader. Despite the significant challenges waged by mega-competitors Google and Apple, Ballmer's combination of fire and foundation will be crucial going forward. As Ballmer said recently, "The future really is about innovation. We can do it, we can drive it, we can all make it happen, and it will lead us back onto a path of economic growth that I think we all aspire to."

Stephen Schwarzman and the Kings of Private Equity

Stephen Schwarzman's comments in March that between 40 and 45 percent of the world's wealth had been destroyed in less than a year as a result of the financial crisis startled many across the globe. Not known for his subtlety, Schwarzman, CEO and co-founder of Blackstone Group, was also one of the top-paid chief executives in the United States last year. He is not expected to relinquish the title anytime soon. Along with his peers at private- equity standard-bearers, such as KKR's Henry Kravis, Carlyle's David Rubenstein, and Apollo's Leon Black, Schwarzman and his brethren are a force to be reckoned with. Although 2009 was a somewhat quiet year for buyouts, don't expect them to stay quiet for long.

William Ackman, Pershing Square Capital

Though not yet a household name like fellow activist Carl Icahn, Pershing Square Capital founder and manager **William Ackman** has carved a place for himself in the headlines as a crusader for improved governance measures at some big-name U.S. companies. Highlighted by a prolonged battle with Target for board seats and shorter director terms, which he eventually lost, Ackman has nonetheless made his presence felt in a number of boardrooms. Most recently, he has lashed out against credit ratings agencies, arguing that they should be held liable when positively rated companies end up hurting investors.

Richard Breeden, Breeden Capital

Richard Breeden, co-founder of Breeden Capital, an investment firm, is a well-known for his hedge-fund activism. His work at Breeden Capital is directly influenced by his former position as chairman of the Securities and Exchange Commission from 1989 to 1993. Breeden was elected chairman of H&R Block after successfully pushing for changes at the struggling tax preparer. The investor takes stakes in companies that he thinks exhibit poor governance practices and then pushes tirelessly to improve them. One lesser known fact that separates Breeden from other hedge and private- equity investors: he actually has spent time as a sitting chief executive and as a turnaround maven during corporate governance crises such as WorldCom and Hollister. It has been a winning formula.

Peter Butler and Bill Crist, Governance for Owners

Advocacy group Governance for Owners (GO) champions the values of long-term shareholders, working to improve corporate governance with gradual profitability as its goal. With a global range of influence, GO employs 40 employees who advise and counsel shareholders and businesses alike, with the ultimate goal of forging a long-term, mutually beneficial alliance. Founding partner and CEO **Peter Butler** had rich careers throughout the global financial landscape, including as in-house fund manager at BT Pension Scheme, the largest pension fund in the United Kingdom. Chairman **Bill Crist** is a former CalPERS chairman and president, and has also co-chaired the Council of Institutional Investors. **Peter Clapman**, former chief counsel for TIAA-CREF, is president and CFO.

Christopher Cooper-Hohn, The Children's Investment Fund

Christopher Cooper-Hohn is credited with founding The Children's Investment Fund, one of the United Kingdom's largest char-

Pension Power: CalPERS

The nation's largest public pension fund with an asset pool of more than $190 billion, the California Public Employees' Retirement System is among the world's most influential investor group. But that figure is down from its height of $250 billion last year. To be sure, CalPERS is not happy about the financial crisis and the ensuing market bust and is throwing its considerable weight around to let boards know that it expects them to better safeguard its investments. Known for its positions on environmental preservation, equal opportunities, and sound corporate governance, the pension fund has had a profound effect throughout the investment landscape as companies attempt to draw CalPERS dollars. Nowhere is this impact more evident than in the status 1of CalPERS's "Focus List," which publicly identifies subpar companies in the pension fund's portfolio, more often than not leading to improved governance and overall financial performance as a result. CEO **Anne Stausboll**, the company's first female chief executive, is a career state worker, having previously served as California's deputy treasurer. Chief Investment Officer **Joseph Dear** commands CalPERS's asset allocation model, and is a former chairman on the Council of Institutional Investors. In corporate governance circles, however, CalPERS's senior portfolio manager for corporate governance, **Anne Simpson**, a Yale School of Management professor who is responsible for the fund's Focus List, is the name directors should remember.

Anne Stausboll

ities. Cooper-Hohn is also managing partner and portfolio manager of a London-based investment fund that received Eurohedge's overall European Hedge Fund of the Year Award in 2004 and 2005.

Roger W. Ferguson Jr. and Hye-Won Choi, TIAA-CREF

With managed assets of almost $370 billion and 3.6-million active and retired employees in participation, the Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) is one of the world's largest retirement funds. A *Fortune* 100 financial firm, TIAA-CREF is a force to be reckoned with in the financial community and a significant market mover. Company President and CEO **Roger W. Ferguson Jr.** has enjoyed a career in a number of roles within the financial and regulatory world, including as vice chairman of the Board of Governors at the Federal Reserve. Head of corporate governance **Hye-Won Choi** works to oversee TIAA-CREF's high standards of corporate governance and accountability; she has worked within the institutional investor for 15 years.

Richard Ferlauto, AFSCME

A go-to source, **Richard Ferlauto**, director of corporate governance and pension investment at the 1.5-million member American Federation of State, County, and Municipal Employees (AFSCME), is responsible for representing employee interests in public retirement and benefit systems. Ferlauto is vocal about the need for transparency in the boardroom and is a leading proponent of increasing shareholder access to proxies. His efforts have helped highlight broker voting practices, preventing uninstructed votes from being cast by broker-dealers.

Anne Sheehan

Anne Sheehan, California State Teachers' Retirement System

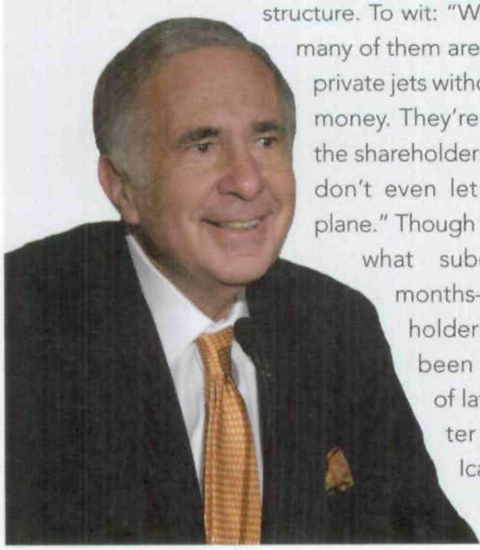
Bridging the gap between shareholders and boards, **Anne Sheehan** serves as director of corporate governance at California State Teachers' Retirement System (CalSTRS). Sheehan focuses primarily on carbon emission reporting by portfolio companies and increasing diversity in the boardroom. She helps guide the day-to-day activities of the group, which is responsible for the oversight of an activist investment management portfolio of $3 billion and execution of nearly 8,000 proxy votes annually.

Damon Silvers, AFL-CIO and Ed Durkin, UBC

Two of the country's top investment legal counselors to union-held pension funds, **Damon Silvers** of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) and **Ed Durkin** of the United Brotherhood of Carpenters and Joiners of America (UBC) are tireless laborers for two of the nation's largest worker bodies. Associate General Counsel Silvers wields great influence as a representative for the AFL-CIO, taking aim at various issues related to sound governance and shareholder rights. He also serves as a member of the Public Company

The Iconic Activist: Carl Icahn

The king of activism and an incompetent management team's worst nightmare, **Carl Icahn** has established a powerful presence in the high-flying world of hedge fund investment, having gone to battle against a number of perceivably soft targets and, more often than not, having come out with his convictions intact and a few director seats to boot. A self-described bootstraps case, Icahn has in his 50-year-long career rocketed into the stratosphere of finance, unerringly, and seemingly without joy. (When asked by an interviewer what he does to relax: "I work!") Since coming to prominence in the 1980s through his aggressive takeover of Trans World Airlines, Icahn has been a constant burr in the side of the companies in which his fund invests. His recent tussles at Motorola, Yahoo, Biogen, and Lions Gate, though varying in success, have demonstrated the man's unyielding dedication to effecting change at underperforming com-panies. Icahn has delighted journalists and mortified executives with his unconcealed disdain for the corporate structure. To wit: "What is a CEO? Too many of them are just guys who buy private jets without using their own money. They're using our money, the shareholders' money, and they don't even let you ride on the plane." Though he has been somewhat subdued in recent months—the vocal shareholder's blog also has been relatively quiet as of late—it's only a matter of time before Icahn again arms for battle.



CHIP EAST/REUTERS/LANDOV

THE MEDIA

Accounting Oversight Board Standing Advisory Group. UBC Corporate Affairs Department Director Ed Durkin fulfills a similar role within the carpenter's union, recently waging a "say-on-pay" campaign against large-cap companies.

Ralph Whitworth and David Batchelder, Relational Investors

Pension fund group Relational Investors works to identify and nurture underperforming companies to the benefit of their investors, having in the past brought changes to Home Depot, Sprint, and other big-name companies. The firm's founders, **Ralph Whitworth** and **David Batchelder**, have led the fund through 13 years of consistent profitability, including a cumulative outperforming of the S&P 500 Total Return Index during this span. Whitworth, a veteran of public company boards, formerly served as the chairman for Apria Healthcare and Waste Management. Batchelder has had a similarly prolific career as a director, having served on nine boards including Home Depot. (For an interview with Whitworth, see page 18.)

Ann Yerger and Amy Borrus, CII

Ann Yerger, executive director of the Council of Institutional Investors, an association of more than 130 public, labor, and corporate benefit plans and other institutional investors with assets exceeding $3 trillion, has played an integral role promoting shareholder rights. Applauding the SEC's efforts to promote proxy access to shareholders, Yerger believes that additional proxy access allows "shareholders…to be more thoughtful about whom they nominate to serve as directors." Her colleague, deputy director and former *BusinessWeek* writer **Amy Borrus**, believes that boards should open the lines of communication to help shareholders "draw the link between performance and pay and address it head on."

Steve Forbes, *Forbes*


Steve Forbes

As the framework for American capitalism wobbled, the editor-in- chief of that lovably reliable list-making Capitalist Tool took center stage, authoring a cogent prescription for what ailed us and, in Oprah-like fashion, putting his own image on the Nov. 22, 2008 cover story, "How Capitalism Will Save Us." In it, Forbes argues for lower taxes, regulation that is prudent, not punitive, and a Federal Reserve that is committed to maintaining the dollar as good as gold. In addition to writing cover stories, Forbes is omnipresent in the privately held magazine and online fortress he both inherited and helped shape since being named president and CEO of Forbes, Inc., in 1990. His political interests are more than just that: In 1996 and 2000, Forbes sought the Republican nomination for the presidency and served as an economic advisor to presidential contender John McCain. Free people. Free markets. That's the Forbes mantra, as well as the shortest route to the top of his most cherished list.

Carol Loomis, Fortune

Fortune Senior Editor at Large **Carol J. Loomis** is a true veteran in the world of business journalism. A *Fortune* staff member for the past 52 years, Loomis has written profiles of all the major business leaders including Sandy Weill, Robert Rubin, and Warren Buffett. She has received every award in the business for her writing and involvement in business journalism, including the Women's Economic Round Table award, of which she was the first recipient. Other *Fortune* contributors to corporate governance: Editorial Director **Geoff Colvin**, whose newest book, *Talent is Overrated:*

CNBC: The Business Channel

As a co-anchor of CNBC's Squawk Box, **Becky Quick** addresses breaking financial news before most people have hit "snooze" a second time. Prior to assuming her current position, Quick was a Wall Street beat writer for CNBC. Having honed her skills covering the retail and e-commerce beat at The Wall Street Journal. Warren Buffett tapped her to be one of his questioners at Berkshire Hathaway's most recent annual meeting. Quick's former Squawk Box co-anchor, **Maria Bartiromo** anchors CNBC's Closing Bell with Maria Bartiromo and is host and managing editor of Wall Street Journal Report with Maria Bartiromo, which was recently deemed the most watched financial news program in America. Other noted CNBC anchors include **Charlie Gasparino**, whose newest book, The Sellout will implicate the guilty parties involved in last year's economic crisis; and **Jim Cramer**, formerly a hedge fund owner/manager, and, prior to that, a Harvard lawyer turned Goldman Sachs trader, who enthusiastically ends each day with his CNBC hit show Mad Money. **Larry Kudlow** rounds out the network's heavy hitters with Kudlow & Company

THE MEDIA

What Really Separates World-Class Performers from Everybody Else, was published in October; and **William D. Cohan**, contributing editor, who is most recently noted for his opinions regarding the 2008 economic crisis. His book, *House of Cards*, describes in riveting, horrifying detail the last days of Bear Stearns & Co.

Joann Lublin, The Wall Street Journal

Since 1991, *The Wall Street Journal* Management News Editor **Joann Lublin** and Deputy Managing Editor **Alan Murray** have been at the forefront of corporate governance news coverage. Lublin's areas of expertise include key issues such as executive compensation, recruiting, and succession. Lublin frequently speaks at and participates in conferences on corporate governance, especially those dealing with executive compensation, and is a Gerald Loeb Award recipient. Murray regularly contributes to CNBC, and authored *Revolt in the Boardroom: The New Rules of Power in Corporate America* in 2007, the third of his best-selling books. Prior to assuming his current position, Murray wrote the *Journal's* weekly "Business" column.

Andrew Ross Sorkin, The New York Times

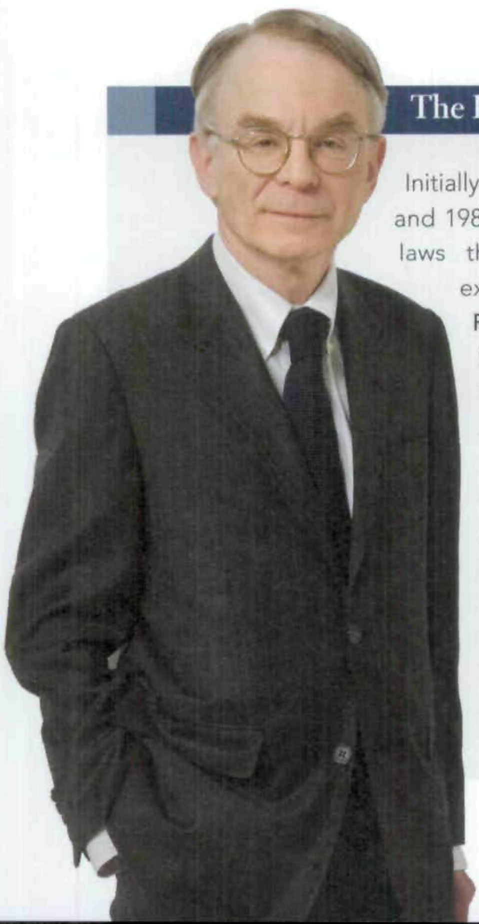
The New York Times "Dealbook" Editor, **Andrew Ross Sorkin** seems to have the formula for breaking business news down to a science. Sorkin's track record for such stories includes acquisitions (Chase of J.P. Morgan, Hewlett-Packard of Compaq, and Jonson & Johnson of Guiadant), as well as sales and mergers (IBM's sale to Lenovo and Symantec's $13-billion software sale with Veritas). Most recently, Warren Buffett tapped Sorkin to help moderate the 2009 Berkshire Hathaway Annual Shareholder's meeting. He frequently appears on television and radio programs such as NBC's *Today Show*, PBS' *The NewsHour with Jim Lehrer*, and ABC's *Good Morning America*, among others. His forthcoming book, *Too Big to Fail*, will undoubtedly illuminate more of the inside story of what was happening on Wall Street last fall. Other *New York Times* notables: Assistant Business and Financial Editor **Gretchen Morgenson**, who has received a Pulitzer Prize for beat reporting and was named "The Most Important Financial Journalist of Her Generation," by *The Nation*; Chief Financial Columnist **Floyd Norris;** and economist, columnist, and Nobel laureate **Paul Krugman**.

THE ATTORNEYS

Robert Bennett, Skadden Arps

A renowned trial lawyer, **Robert Bennett** defied family tradition and veered from a career as a medical doctor. He is best known for representing President Bill Clinton during the Lewinsky affair, but other high-profile cases included representing *New York Times*

The Dealmaker: Sullivan & Cromwell's Rodgin Cohen



Initially making his mark in the 1970s and 1980s with his efforts to change laws that prohibited banks from expanding to other states, **H. Rodgin Cohen** is among that legendary set of 'deal meisters' that are always on the stage of major transactions in commercial banking and financial institutions. He was recognized by American Lawyer as "2008 Number One Dealmaker" for his role in the financial crisis and has worked on a variety of bank regulatory matters. Last year, The Wall Street Journal noted, "With virtually all of Wall Street as his client, [Cohen] has solidified his role as one of the most influential private-sector players in the financial crisis." He was selected by the Obama Administration for a role at the Treasury Department but withdrew his nomination for undisclosed reasons. He was named chairman of Sullivan & Cromwell in July 2000.

Another of Sullivan & Cromwell's top corporate governance minds is **Robert Giuffra**, a partner in the Litigation Group. His practice focuses on complex securities, white-collar criminals, class action, commercial, insurance, banking, and tax litigation. He has represented corporations and individuals at trial and on appeal in federal and state civil and criminal litigation. Past clients include The Bank of New York, Biovail Corp., Computer Associates, Exxon, Goldman Sachs, and ING Group, among numerous others. He currently represents clients in government investigations and securities class actions surfacing as a result of the financial crisis.

reporter Judith Miller in the Valerie Plame case, then-U.S. Secretary of Defense Caspar Weinberger during the Iran-Contra scandal, and Paul Wolfowitz in the World Bank scandal. Bennett's forte lies in white-collar crime; he is an eminent trial lawyer who has represented corporations and individuals, including directors and officers, in criminal, civil, SEC enforcement, and congressional matters. Bennett penned *In the Ring: The Trials of a Washington Lawyer* last year. His most famous remark, when advising board directors on taking notes, is, "note-taking is fine just as long as you write at the top of your pad, 'Ladies and gentlemen of the jury,' because that is who will be viewing your notes some day." He recently announced that he will be returning to Hogan & Hartson.

Stanley Bernstein, Bernstein Liebhard

Mention the name **Stanley Bernstein** to a director and you are likely to elicit a nervous quiver. Since the demise of Bill Lerach and Melvyn Weiss, the face of shareholder class-action litigation is increasingly that of Bernstein's firm. The hard-charging and witty attorney makes no apologies for going after companies he believes have wronged shareholders. Bernstein was named one of the "100 Lawyers You Need to Know in Securities Litigation" by *Lawdragon* magazine. Bernstein served as lead counsel in the Royal Dutch/Shell Transport Securities Litigation, which resulted in a 2008 U.S. settlement with a minimum cash value of $130 million. Bernstein has also been the lead counsel of many securities cases enforcing and expanding the rights of shareholders, including Sears, Archer Daniels Midlands, and Bankers Trust.

Stanley Bernstein

Ed Herlihy and David Katz; Wachtell, Lipton, Rosen & Katz

Well-known for advising leading corporate chieftains and also for his savoir faire around the boardroom as well as Capitol Hill, **Ed Herlihy** is a charter member of that select club of legendary M&A counselors. He also serves as co-chairman of the executive committee at Wachtell, Lipton, Rosen & Katz, where he has has been a partner since 1984. He has been at the center of many of the major transactions that occurred during the credit crisis, including those involving JP Morgan, Bank of America, and Merrill Lynch. He began his career as an attorney with the Securities and Exchange Commission and has a wealth of regulatory and M&A knowledge and experience. **David A. Katz** serves as a corporate attorney specializing in M&A and complex securities transactions. He served as

The Dream Team: Weil, Gotshal & Manges

As one of the most renowned attorneys in America, a corporate governance icon long before the term meant anything to most people, **Ira Millstein** (Hall of Fame '08) has been at the forefront of governance experts calling for boards to embrace the need for more stringent risk oversight. A senior partner at Weil, Gotshal, Millstein also lends his expertise to his namesake, The Yale Millstein Center for Corporate Governance and Performance. He has counseled boards at General Motors, Disney, Tyco, Bethelem Steel, CalPERS, and numerous other organizations. In the wake of the financial crisis, Millstein, who is on NACD's board, called for boards to restore trust in the system and rethink their strategies and their goals. Separation of the chief executive from the chair is another initiative to which he devotes his seemingly boundless energy.

Along with Millstein, Weil counts as partners a number of the nation's leading corporate governance attorneys, quite possibly the most impressive slate of legal advisors in the field. **Holly Gregory**, a corporate partner, lends her expertise to directors, C-suite managers, and investors. Among her areas of expertise, she advises clients concerning fiduciary duties, conflicts of interest, leadership structure, audit, shareholder relations, and proxy voting. Some of her past clients include Yahoo, Nationwide Mutual Insurance Co., and Allianz Funds. Prior to being named senior partner of the firm, **E. Norman Veasey** served for 12 years as chief justice of the Delaware Supreme Court. He is one of the firm's top advisors on issues relating to M&A, corporate governance, and litigation, and is also on the board of NACD. Last by not least is **Ellen Odoner**, head of Weil, Gotshal & Manges' Public Com-pany Advisory Group.

THE ATTORNEYS

legal representative of the firm's highest profile mergers and buyout cases, including the Lucent-Alcatel merger and the Office Depot acquisition of Allied Office Products (and a subsequent proxy defense), among many others. This year, he was named *Who's Who Legal's* Mergers and Acquisitions lawyer of the year. Founding partner **Marty Lipton**, whose biography and achievements could take up this entire page, is being inducted into the *Directorship* 100 Hall of Fame. (Read his profile on page 31.)

Richard H. Koppes, Jones Day

Having served as the former deputy executive officer and general counsel of the California Public Employees' Retirement System (CalPERS), **Richard Koppes**' fiduciary knowledge has provided a foundation for his corporate governance work with companies such as General Mills, Pfizer, KeyCorp, Washington Group, and Bristol-Meyers Squibb, among many others. He sits on the board of Valeant Pharmaceuticals International and is a former director of Apria Healthcare Group. He is also an NACD board member and former NACD "Director of the Year."

Richard Koppes

Daniel J. Kramer, Paul Weiss

Daniel J. Kramer is co-chair of the securities litigation and enforcement group at Paul Weiss. He is a leading trial lawyer and litigator, as well as a prolific writer and lecturer on securities matters, regulatory issues and internal investigations. His long list of distinctions include being selected as one of the leading securities lawyers in the United States by Chambers, as one of America's leading lawyers handling "Bet-the-Company" litigation by Best Lawyers in America, and as one of "New York's Top 100" Lawyers by Super Lawyers. Clients include AIG, Merck, Swiss Re, Ericsson, Fannie Mae's board, and others.

William McGuinness; Fried, Frank, Harris, Shriver & Jacobson

Chair of the litigation department in Fried Frank's New York office, **William McGuinness** has been at Fried Frank since 1979 and became a partner in 1986. His broad knowledge covers multiple areas, including mergers & acquisitions, securities, and intellectual property. He routinely represents underwriters in shareholder federal securities litigation and speaks regularly at continuing legal education programs on topics concerning complex litigation, such as the impact of the Daubert standard and other evidentiary and trial practice issues. He is co-author of a chapter in the Private Securities Reformation Act, focusing on M&A, in the multi-volume treatise Business and Commercial Litigation in Federal Courts.

John Olson, Gibson Dunn

A founding partner of Gibson, Dunn & Crutcher's Washington, D.C. office, **John Olson** has counseled many boards and board committees on governance issues, including defense against SEC investigations. Olson served in the American Bar Association from 2000-2005 as chairman of the Business Law Section's Committee on Corporate Governance. He was also a member of the Presidential Task Force on Corporate Responsibility, appointed by the president of ABA. A frequent lecturer and author, Olson currently teaches an advanced seminar on governance of non-profit organizations at Georgetown University Law Center

Marc S. Rosenberg; Cravath, Swaine & Moore

Marc S. Rosenberg serves a partner and as Cravath Swaine's co-chair of the Corporate Governance and Board Advisory group. His practice focuses on securities work and mergers & acquisitions, including counseling to boards, audit committees, and senior management, and SEC investigations. He was recently named a leading lawyer in corporate governance by PLC Cross-Border: Corporate Governance and Directors' Duties 2008/09 and in securities law by *The Best Lawyers in America 2008*. He joined Cravath in 1985 and became a partner in 1990.

THE PROFESSORS

Lucian Bebchuk, Harvard Law School

While business is too large and complex a discipline to be truly understood by one individual, **Lucian Bebchuk** may come as close as anyone in understanding its many facets. A professor of law, economics, and finance at Harvard Law School, Bebchuk is a valued resource for both the legal and financial halves of governance, having published more than 80 research articles. In addition to his research work, Bebchuk's book, *Pay without Performance: the Unfulfilled Promise of Executive Compensation* was a hit in the business community.

Lucian Bebchuk

THE PROFESSORS

Dennis Beresford, University of Georgia


Dennis Beresford

A prolific veteran who first stepped foot in Ernst and Young's offices in 1961, **Dennis Beresford** has for almost 50 years served as an invaluable resource for the accounting and auditing fields. Throughout his impressive career, Beresford has made contact with a broad array of accounting organizations, including the Financial Accounting Standards Board (FASB), the American Institute of CPAs, and the American Accounting Association, serving in a number of directorial and advisory roles within these organizations, including 10 years as FASB chairman. Beresford also serves on the boards at Fannie Mae, Kimberly-Clark, and Legg Mason, as well as NACD.

John Coffee, Columbia Law School

John Coffee is the Adolf A. Berle Professor of Law at Columbia Law School, and has served at the institution since 1980. Coffee's name is well known by corporate governance and law thinkers around the country and his comments are sought on a variety of topics by major national media; he was recently named by the *National Law Journal* as one of the "100 Most Influential Lawyers in the United States." An author with a keen interest in corporations, securities regulation, class actions, criminal law and white-collar crime, he has served on panels that include the Economic Advisory Board to Nasdaq and the National Research Council's Standing Committee on Law and Justice.

Charles Elson, University of Delaware

The University of Delaware's most distinguished mind on corporate governance and director compensation, **Charles Elson** is chair of the school's corporate governance center. Situated in an academic environment surrounded by the day-to-day bustle of Delaware's active governance climate, Elson is a high-profile contributor to both scholarly and popular publications, and has served on a number of commissions for the National Association of Corporate Directors as well as being a member of the NACD Advisory Council. In addition to his role as an academic, Elson serves as a counsel to Holland & Knight.

Joseph Grundfest and Daniel Siciliano, Stanford Law School

A Stanford law professor, as well as an economist and influential attorney, **Joseph Grundfest** has had a diverse career in the legal and business worlds. In addition to his duties at Stanford, where he has won numerous teaching awards, Grundfest launched the school's executive education program, and also leads a number of other governance and business programs. Grundfest served as a commissioner with the Securities and Exchange Commission under both Ronald Reagan and George H.W. Bush, and also served on President Reagan's Council of Economic Advisors. Since 2001 he has served on the board of directors at database company Oracle, where he chairs the Committee on Compensation and Management Development and serves on the Finance and Audit Committee. Grundfest's colleague in governance is **Daniel Siciliano**. Though a couple of decades younger than many of his scholarly peers, Siciliano has carved a name for himself in both academic and management fields, gaining a reputation as a top-notch governance consultant and trainer.

Professor to the Stars: Jeffrey Sonnenfeld

Having taught at Harvard Business School and Emory's Goizueta Business School before settling into his current position as associate dean at the Yale School of Management, **Jeffrey Sonnenfeld** is a respected, well-credentialed member of the "business guru" camp, and also known for founding what is now known as The Yale Chief Executive Leadership Institute. The Institute is the world's first "CEO college" designed to promote CEO leadership through research and peer-educational forums. A director on numerous boards, Sonnenfeld has shared his business wisdom with such global behemoths as IBM, JPMorgan Chase, Yahoo, and Microsoft, lending his considerable knowledge to the world's top movers and shakers. Sonnenfeld has penned many academic and mainstream business articles, as well as several books, including his latest, Firing Back: How Great Leaders Overcome Adversity. He has also appeared on a number of news programs, and is a regular commentator on PBS and CNBC. He was listed by BusinessWeek as among the world's 10 most influential business professors.

THE PROFESSORS

Jay Lorsch, Harvard Business School (See Hall of Fame, page 31)

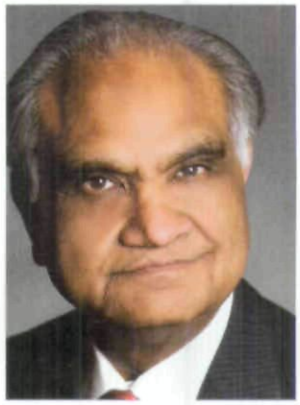
Alfred Osborne, UCLA
Alfred Osborne is senior associate dean at UCLA's Anderson School of Management and an expert on corporate governance and its related fields. A founder of UCLA's Harold Price Center for Entrepreneurial Studies, Osborne teaches global economics and management, guiding students through the process of modern entrepreneurship, and established a management development program to aid African-American entrepreneurs. In addition to his academic resume, Osborne has served on a number of boards, including Times Mirror, US Filter, Greyhound Lines, First Interstate Bank of California, Nordstrom, and K2. He currently serves on the boards of Kaiser Aluminum and the Heckmann Corp.

ADVISORS, TALENT SEEKERS, AND STRATEGISTS

Dominic Barton, McKinsey & Co.
A managing partner at global management consulting firm McKinsey & Co., **Dominic Barton** has advised clients in a range of industries, including consumer goods and banking. An active participant in the World Economic Forum at Davos, the Aspen Strategy Group, and the World Bank and IMF meetings, he has written extensively about issues and opportunities facing global and Asian markets. Barton spent almost 10 years in the Far East, including a stint in Korea from 2000 until 2004, and in Shanghai as chairman of McKinsey's Asia offices from 2004 to 2009. He is the author of *China Vignettes: An Inside Look at China*.

Irv Becker, Hay Group
Irv Becker, national practice leader of the executive compensation practice at Hay Group, advises firms to combat the tough economy by becoming more familiar with annual bonus and budget process metrics. Becker's clients have included *Fortune* 50 financial services companies, major foreign-owned banks, and global consumer products companies, among others. His experience arises from 10 years of in-house corporate experience while heading up the compensation and benefits functions at Goldman Sachs.

Ram Charan, Charan Associates
A highly sought after business advisor, **Ram Charan**, a CEO coach described by *Fortune* magazine as "the most influential consultant alive," is known for his rigorous schedule and behind-the-scenes insight into problems facing corporate executives and directors today. He is the author of multiple books, including his latest publication, *Owning Up: The 14 Questions Every Board Member Needs to Ask*. He served on the Blue Ribbon Commission on corporate governance and was selected as a Distinguished Fellow of the National Academy of Human Resources. He sits on the boards of Austin Industries and Tyco Electronics.


Ram Charan

ADVISORS, TALENT SEEKERS, AND STRATEGISTS

Frederic W. Cook, Frederic W. Cook & Co.
Founding director of compensation-consulting firm, Frederic W. Cook & Co., **Fred Cook** remains a staunch proponent of pay for performance and an opponent of say on pay. Cook previously served as a principal with Towers Perrin, which he joined in 1966 following four years as a U.S. Marine Corps infantry officer. He is an honorary member of the American Compensation Association and a fellow in the National Academy of Human Resources.


Fred Cook

Julie Hembrock Daum, Spencer Stuart
As practice leader at Spencer Stuart, **Julie Hembrock Daum** has placed more than 450 directors at various companies. She consults with corporate boards for Spencer Stuart's North American Board and CEO Succession Practice. Having worked with firms of all sizes, from *Fortune* 100 to pre-IPO companies, she is credited with recruiting the outside directors for the Tyco spin-off companies and Delta Airlines, AIG, Citigroup, Fannie Mae, Freddie Mac, and General Motors. She's the founder of the Directors' Institute, a program for first-time board directors at the Wharton School of the University of Pennsylvania and is a frequent writer and speaker on governance issues. (Spencer Chairman Thomas Neff is being inducted into the 2009 *Directorship* 100 Hall of Fame. Read his profile on page 31.)

George L. Davis and Justus O'Brien, Egon Zehnder
Emphasizing the importance of going global when considering boardroom candidates, **George L. Davis** is a staunch believer that it's best to start recruiting early. Having served as vice president of the Walt Disney Co. and as marketing director for the Disney

Channel, Davis believes finding a new director can take 12 to 24 months. When recruiting new board members, his colleague **Justus O'Brien**, co-managing partner of North American board services at Egon Zehnder, applies the expertise gained from his past positions, including serving as senior vice president at Leo Burnett International and president of Leo Burnett, Publicidade in São Paulo, Brazil.

Steven Hall, Steven Hall & Partners

As managing director of Steven Hall & Partners, **Steven Hall** has provided consulting services for more than 30 years with senior management and board compensation committees in planning and implementation of senior-executive compensation programs. His expertise is especially essential as the financial world recovers under the watchful eye of a skeptical public. He has a strong technical background in tax, accounting, and finance, and uses this knowledge to help design remuneration programs, including partnerships and side-by-side investments. He is a member of the faculty of the NACD where he teaches courses related to executive and director compensation. (Co-founder Pearl Meyer is being inducted into the *Directorship* 100 Hall of Fame. Read her profile on page 31.)

Richard Levick, Levick Strategic Communications

The president and CEO of Levick Strategic Communications, **Richard Levick** is a specialist in corporate communications, with one of two missions for his firm's clients: "To get them into the news or get them out of it." Levick is a skilled master of public relations and reputational challenges, having hedged crises and promoted successes whenever clients have needed such services. He mantra for directors is to know the blogosphere and other online media. Some of his firm's successful campaigns have included such international staging grounds as Guantanamo Bay, the Catholic Church, and the credit crisis on Wall Street.

Steve Mader, Nels Olson, and Bob Hallagan; Korn/Ferry International

A world-renowned executive recruitment firm, Korn/Ferry International has for 40 years made happy marriages between top-tier companies and the executives for whom they search. Based in 90 offices across 40 countries, Korn/Ferry consultants conduct more than 10,000 searches annually in a number of specific industries. Having personally worked on 400-plus search assignments, Korn/Ferry's **Steve Mader** is among the firm's most valued consultants, and is a regular media contributor on the topics of leadership and corporate governance. Similarly prolific, **Nels Olson** has participated in more than 350 searches, serving now as Korn/Ferry's Eastern Region managing director after 14 years with the firm. Vice chairman and managing director of the firm's Board Leadership Services arm, **Robert Hallagan** has almost 20 years in the executive search business, along with a number of other high-profile positions within the financial industry, and is on the NACD board.

David Nadler, Marsh & McLennan Cos.


David Nadler

As vice chairman of Marsh & McLennan Companies, David Nadler has had a wide range of experience in an advisory role at some of the world's top companies. Formerly an associate professor at Columbia University's Graduate School of Business, Nadler founded the Delta Consulting Group in 1980 (now known as Oliver Wyman and run as a business unit of MMC). He has been active in the industry since. In addition to his consulting duties, Nadler has written or co-authored several books, including *Competing By Design: The Power of Organizational Architecture* and *Building Better Boards: A Blueprint for Effective Governance*. Nadler was previously an associate professor at Columbia University's Graduate School of Business.

Harvey Pitt, Kalorama Partners

Harvey Pitt served as the 26th chairman of the SEC from 2001 to 2003, as Enron, Worldcom and other scandals came to light. Pitt instituted real-time enforcement to ensure that the Commission was more effective at enforcing regulations. A frequent writer and speaker on corporate governance issues, he now serves as CEO of Kalorama Partners, which advises senior management and boards on forming and implementing strategy and policy.

Michael Smith and John Doyle, Chartis

A property-casualty and general insurance organization, Chartis operates globally, serving 40 million clients in more than 160 countries and jurisdictions. For directors, Chartis is the top provider of directors and officers liability coverage (D&O insurance). **John Doyle**, executive vice president of Chartis and CEO of Chartis U.S., has spent 23 years in the insurance industry, and has logged executive experience in a number of fields with AIG and AIU Holdings. **Michael Smith** is the president of Chartis' Executive Liability branch. A 13-year veteran of the insurance business, Smith began his career as a counsel in AIG's Professional Liability division before eventually moving up the ladder to his current top-tier position. An attorney, Smith's law background has set him up for the unique challenges facing D&O liability insurance providers in a post-recessionary economy.

David Swinford and Jannice Koors, Pearl Meyer & Partners

With more than 10 years at Pearl Meyer & Partners, **David Swinford**, CEO of the firm, works closely with boards to tie strategy to compensation and governance practices. He was previously principal and worldwide partner at William M. Mercer, where he was national practice leader for executive compensation. **Jannice Koors**, an expert on long-term incentive plans and pay metrics, is now managing director in PM&P's Chicago office. She has more than 20 years of experience in all areas of executive compensation, including value-based annual and long-term incentive plans, salary structure development, subsidiary pay programs, and performance measure selection. Prior to joining PM&P, Koors was a principal at SCA Consulting.

A Seat at the Table: John Castellani

Directors have a friend in Washington D.C., and his name is **John Castellani**. Since joining The Business Roundtable in 2001, Castellani has raised the profile of perhaps the most influential business lobby group. As president of the organization, he has piloted several key public policy issues for the Roundtable, including trade expansion, civil justice reform, and fiscal policy. In fact, Bloomberg named him one of Washington's six most influential lobbyists. Recently, the Roundtable, whose members constitute nearly a third of the total value of the U.S. stock markets, has been an outspoken proponent of health-care reform, with an eye toward reforms that would ease the growth in the cost of providing health coverage for employers. Castellani has appeared on a number of television programs such as NBC's Meet the Press, PBS' The NewsHour with Jim Lehrer, Fox News Channel's Special Report, and CNBC's Street Signs.

John Wood, Keith Meyer, and Bonnie Gwin; Heidrick and Struggles

For more than 50 years, global executive search firm Heidrick and Struggles has been the "man for the job" for finding the man for the job. The world's premier leadership consulting service, Heidrick employs nearly 500 consultants committed to making connections between superior companies and executives. Heidrick Vice Chairman **John Wood** has served as an executive search consultant for more than 15 years, and has completed almost 200 executive and director searches. **Keith Meyer**, vice chairman and managing partner of Heidrick's Global Board Advisory Services Practice, is an influential consultant to many *Fortune* 500 companies, including ExxonMobil and Procter & Gamble. **Bonnie Gwin**, formerly with IBM for 13 years, is a director recruitment specialist, serving as managing partner for Heidrick's Board of Directors practice.

THE NETWORKERS

Philip Armstrong, Global Corporate Governance Forum

Philip A. Armstrong is the head of the Global Corporate Governance Forum in Washington D.C., which aims to advance corporate governance practices in developing countries and emerging markets. Armstrong, an internationally renowned expert on corporate governance, has held a variety of executive positions in South African firms. Born and educated in Zimbabwe, Armstrong is working with the Forum to assist board leadership teams in Brazil, Eastern Europe, parts of Africa, and Southeast Asia, an endeavor that includes teaching successful corporate governance practices, training financial journalists, and implementing dispute-resolution mechanisms. Armstrong was the principal convener and main editor of the 2002 *King Report on Corporate Governance for South Africa*.

Kenneth Daly, National Association of Corporate Directors

As president and CEO of NACD, **Kenneth Daly** leads the largest association dedicated to serving the needs of corporate directors. This past year has been a busy one for Daly, as NACD aims to help directors restore confidence in the corporate governance of U.S. companies. The association issued its *Key Agreed Principles to*

Strengthen Corporate Governance for U.S. Publicly Traded Companies as part of its Director Challenge campaign to provide a framework for restoring confidence. NACD has provided directors with a voice in Washington as well, weighing in on proposals from the SEC and Capitol Hill that would have an impact on its constituents. Says Daly: "Directors, managers, and investors—not legislators—should have the greatest say in rules pertaining to boards and their oversight areas."

Paul DeNicola, The Conference Board

Under **Paul DeNicola**, an associate director of the Governance Center and Directors' Institute at the Conference Board, the organization has established a Task Force on Executive Compensation, which brings together experts on governance, law, compensation, and ethics with both investors and corporations to discuss the issues. Additionally, DeNicola recently co-chaired The Conference Board Research Working Group on Corporate Governance and Sustainability. He served on the technical advisory group for The Conference Board Task Force on Executive Compensation. In addition to his position at The Conference Board, DeNicola is also an adjunct instructor of philosophy at Hofstra University, The City University of New York, and Nassau Community College.

Thomas J. Donohue, U.S. Chamber of Commerce

Thomas Donohue

Thomas J. Donohue is president and CEO of the U.S. Chamber of Commerce, one of the largest business associations in the world. Since he assumed the post in 1997 after 13 years as president and CEO of the American Trucking Associations, the U.S. Chamber's revenues have tripled. Donohue has spearheaded several operations, such as forging a national energy strategy, strengthening capital markets, and protecting intellectual property, all with the goal of advancing the U.S. Chamber's comprehensive competitiveness agenda and bolstering the U.S. economy. Additionally, Donohue has either established or helped strengthen Chamber organizations, such as the U.S. Chamber Institute for Legal Reform, which has won significant cases in the courts at both state and federal levels; the National Chamber Litigation Center, which has become a strong contender in challenging anti-business measures; and VoteForBusiness.com, a grassroots organization, which aims to elect pro-business candidates to Congress.

John Engler, National Association of Manufacturers

After 20 years in the Michigan state senate and three terms as governor of Michigan, **John Engler** was named president and CEO of the National Association of Manufacturers in 2004.

John Engler

Since then, as the representative for the largest industry trade group in America, he has been a strong voice for maintaining U.S. competitiveness in manufacturing by eliminating excessive taxation and regulation, and addressing issues of healthcare, litigation, and energy costs. Under Engler's direction, NAM helped establish the Central American Free Trade Agreement (CAFTA) in 2005 and the Alliance for Improving America's Infrastructure in 2007 to promote investment in updating roads, rails, shipping, and other transportation systems. Engler has also helped NAM explore new, more progressive energy resources. Engler supports the expansion of sustainable energy and clean-coal technology as viable options for manufacturers.

David W. Smith, Society of Corporate Secretaries and Governance Professionals

David W. Smith was elected president of the Society of Corporate Secretaries and Governance Professionals in December 1991. The Society frequently advocates reporting and disclosure policies and tactics. This past September, Smith aided the Society in submitting a comment letter to the SEC on proxy access. The letter proposed several ideas on topics such as executive compensation and disclosure that would help to make the proxy process more efficient and meaningful for companies, executives, and shareholders.

WATCHDOGS AND GOVERNANCE ADVISORS

Gavin Anderson, Governance Metrics International

Gavin Anderson was chairman and CEO of Gavin Anderson & Company for 20 years before taking his position as chairman of GMI. Anderson goes beyond the national arena, examining corporate governance at a global level. Under Anderson's leadership, GMI provides unbiased statistics and observations on corporate governance practices throughout the world. Recently, GMI reported country rankings based on overall quality of corporate governance.

WATCHDOGS AND GOVERNANCE ADVISORS

While the highest-ranking countries—Ireland, the U.K., Canada, Australia, and the U.S.—were not surprising, GMI believes the countries with the lowest ratings have great potential. In order to improve business, companies in emerging markets will have to become more transparent and less insular. South Africa, in particular, is one country GMI plans to watch.


Richard Bennett


Nell Minnow

Richard Bennett and Nell Minow, The Corporate Library

Nell Minow and **Richard Bennett**, co-founders of The Corporate Library, continue to be guardians of shareholder rights. Now in its 11th year, TCL offers risk research, moderately priced research reports, and web-based tools such as its global LeaderBoard, a database of directors. Minow is know for her tenacious questioning of today's corporate governance practices and both she and Bennett have taken to blogging their opinions on the latest developments in the boardroom. Another influential member of the TCL team is **Paul Hodgson**, who authors many of the organization's compensation reports, bringing keen analysis to the link between performance and executive pay, or, in TCL's eyes more often than not, the lack thereof.

Mindy S. Lubber, Ceres

As president of Ceres, **Mindy Lubber** directs the Investor Network on Climate Risk (INCR), an alliance that coordinates U.S. investor responses to the financial risks and opportunities posed

Making the Grades: RiskMetrics

Talk about influence—RiskMetrics may just be the most influential player in the corporate governance arena. The leading provider of corporate governance rankings, RiskMetrics provides numerous services to its corporate clients that include compensation modeling solutions and custom services. Originally spun off from JP Morgan in 1998, the firm has long since come into its own as one of the top advisory firms for companies and their boards, mainly through its acquisition of Institutional Shareholder Services. Executive Vice President and Special Counsel **Patrick McGurn** is among the nation's finest governance experts, and a constant source of insight for fellow business-thinkers the world over. He is among the most astute minds in corporate governance practice and law and his writings on corporate governance, which can often be found in the pages of *Directorship*, are always highly informed with a touch of wit. **Martha Carter** is head of Global Research and Global Policy Board for RiskMetrics' Governance unit and an architect of the firm's approach to proxy voting policy. Company CEO **Ethan Berman** led JP Morgan's Risk Management Services Group before the unit was spun off into RiskMetrics; today he continues to oversee the continued development of one of the business world's most important advisory centers.

by climate change. Her past service in government as the regional administrator of the U.S. Environmental Protection Agency aids in her efforts to facilitate the efforts for boards to consider what kind of environmental impact their business imparts on the earth.


Robert McCormick

Robert McCormick, Glass Lewis & Co.

Robert McCormick is chief policy officer with governance and proxy advisory firm Glass Lewis & Co., which serves institutional investors managing more than $17 trillion in assets combined. Glass Lewis's international practice, a subsidiary of the Ontario Teachers' Pension Plan Board, attends to governance, risk, and proxy voting issues for its more than 18,000 global clients. McCormick, who worked at Fidelity's Management and Research branch prior to joining Glass Lewis, is an accomplished attorney who has contributed greatly to his firm's position in the advisory business.

James Melican, Proxy Governance

The chairman at proxy advisory firm Proxy Governance, **James Melican** leads a firm dedicated to providing voters with information and advice concerning corporate governance initiatives. The firm takes both a long-term and specific approach to proxy advisory, analyzing company leadership on an "issue-by-company" basis, observing individual company metrics rather than simply taking a standard one-size-fits-all stance on specific issues. Melican is a governance expert, having served on a number of legal committees related to the topic, including with the American Bar Association, for which he has helped author the last three editions of the Corporate Directors' Guidebook. Prior to his work at Proxy Governance, he was executive vice president at International Paper Co.

THE AUDITORS

Sharon L. Allen, Deloitte

Sharon Allen is chairman of Deloitte LLP and a 30-plus year veteran of the global accounting firm with $11 billion in annual revenues. Allen's efforts extend globally as she serves as the U.S. representative on the global governance committee and chairs the global risk committee. She is also a member of the Women's Leadership Board at the John F. Kennedy School of Govern-

KPMG International: Meeting the Challenges

As chairman and CEO of KPMG International, **Timothy P. Flynn** is leading the global accounting network to help clients face the challenges of the post-financial crisis era, including helping them understand their risk profiles. He is dedicated to creating a values-driven culture that fulfills KPMG's "Promise of Professionalism" to its 135,000 professionals and clients in more than 140 countries. Recently, he served on the Advisory Committee on the Auditing Profession, established by former Treasury Secretary Henry M. Paulson Jr., which made recommendations to foster a more sustainable auditing profession. He says boards will need to do four things to get a handle on risk: "They need to understand the company's strategy and the risks inherent in that strategy; ensure that management has appropriate processes in place to monitor and mitigate those risks; clearly define and align risk-oversight responsibilities of the full board and its committees; and pay attention to emerging and low-probability risks that could threaten the company's existence—either near term or long term." He says it is a challenge directors are on their way to meeting. "Oversight is much more focused and intense than it was just a few years ago," says Flynn. Global head of audit **Henry Keizer** agrees. In an interview last year, he said that the more the accounting world changes, the more important the bedrock fundamentals of accounting become: integrity, transparency, and reliability. "Those are the constants. They don't change," says Keizer. Taking that message to audit committees is **Mary Pat McCarthy**, director of KPMG's Audit Committee Institute and vice chair of KPMG LLP. She is among the nation's leading voices when it comes to what audit committee members need to do to restore credibility and meet the challenges of risk oversight.

THE AUDITORS

ment at Harvard, and serves on the board of directors of Catalyst Her colleague, Deputy CEO **Robert J. Kueppers**, is responsible for regulatory and public policy matters at Deloitte. His 30 years of experience includes his previous position as the senior technical partner with Deloitte & Touche at its national office in Wilton, Connecticut. He also served as national director of the Securities and Exchange Commission.

Samuel A. DiPiazza Jr., PricewaterhouseCoopers


Samuel DiPiazza Jr.

PricewaterhouseCoopers CEO **Samuel A. DiPiazza** considers the environmental along with his balance sheet, contributing to environmental awareness endeavors, including co-authoring a thought leadership series for the Copenhagen Climate Council along with Duke Energy CEO James E. Rogers, DONG Energy CEO Anders Eldrup, and CLSA Asia-Pacific Markets Chairman Rob Morrison. DiPiazza strongly emphasizes the importance of PricewaterhouseCooper's code of conduct, sound judgment, and the ability to earn the trust of the company's stakeholders. Likewise, **Catherine Bromilow**, lead partner of the corporate governance group at PwC, encourages boards to earn the trust of all of their stakeholders by displaying further disclosure practices as well as sitting down and communicating with their investors.

Cynthia M. Fornelli, Center for Audit Quality

Cindy Fornelli is executive director of the Center for Audit Quality, a Washington-based public policy organization serving investors, public company auditors, and the markets. CAQ was started by the American Institute of Certified Public Accountants in the aftermath of the accounting scandals to restore credibility to the profession and to promote "integrity, objectivity, honesty, and trust" in the audit profession. Fornelli has worked tirelessly in the service of that goal. She recently weighed in on the fair value debate, arguing in the pages of *Directorship* that the accounting profession needed to continue to support fair value while addressing its shortcomings.

Robert Herz, FASB

The nation's top accounting rule maker is on the hot seat. **Robert H. Herz**, re-appointed to a second term as chairman of the Financial Accounting Standards Board (FASB) in 2007, said in an interview with *The New York Times* that "there were important aspects of our entire financial system that were operating like a Wild West show, huge unregulated opaque markets...The [financial] crisis highlighted how important better transparency around that system is. I would hope that would be a major lesson learned or relearned." That interview took place just weeks after the infamous hearing in which Congress demanded that Herz revise mark-to-market or "fair value" accounting standards. Now, the nation's top accountant says the United States may end up with tougher requirements as it weighs a plan to require U.S. companies to value most financial instruments by the ups and downs of the market—notably loans, which make up much of banks' assets. Heading FASB is no easy task these days, but Herz has shown time and time again that he can handle the pressure and continue to move the nation's top accounting rules-setter in the right direction.


Robert Herz

Edward Nusbaum and Stephen Chipman, Grant Thornton

Come January, **Edward Nusbaum** will step down as CEO of Grant Thornton as **Stephen Chipman** takes the helm. Surely, Chipman has some large shoes to fill. While CEO, Nusbaum grew the accounting firm faster than any other large firm, tripling revenues from $400 million to $1.2 billion. Chipman sounds up to the challenge. In a statement announcing the transition, he said: "I will dedicate myself to taking action on a number of fronts, including continuing Grant Thornton's tradition of providing strong leadership to the accounting profession and speaking out on issues of importance."


JamesTurley

James S. Turley, Ernst & Young

Calling for consistent global corporate governance, Ernst & Young Chairman and CEO **James S. Turley** urges companies to prepare for the many challenges awaiting audit committees in the new financial environment. He continues to challenge audit profession self-regulation, calling for further oversight to avoid similar economic meltdowns in the future. Global

Vice Chairman **Beth A. Brooke** is no stranger to the boardroom and strongly advocates against a "group think" mentality among fellow directors. In charge of E&Y's public policy, sustainability, and stakeholder engagement, Brooke believes boards can't communicate enough with each other, management, and their investors. She is a regular contributor to *The Washington Post*, advising leaders on how to improve their business as well as providing insight into the complex corporate governance issues that currently face Congress and the Obama Administration.

GENERAL COUNSELS, CORPORATE SECRETARIES, AND CGOs

Douglas Chia, Johnson & Johnson

Johnson & Johnson's senior counsel and assistant corporate secretary, **Douglas Chia** has command of a wide range of legal issues that belies his relative youth. Listed as one of the "Best Lawyers Under 40" by the National Asian Pacific American Bar Association, Chia has compiled an impressive resume. His past legal experience includes separate tenures as an associate at corporate firms Simpson Thacher & Bartlett and Clifford Chance, as well as serving as assistant general counsel with Tyco. Having joined Johnson & Johnson in 2005, the lawyer is well primed for continued successes.

Danette Smith, UnitedHealth

As corporate secretary for the board of directors at UnitedHealth, **Danette Smith** fills a number of roles, including gatekeeper, organizer, communicator, and governance consultant. Charged with keeping existing and new directors up to speed with the board's responsibilities and legal constraints, the duties of corporate secretaries like Smith usually meet or surpass those of the part-time directors whom they assist. Smith has had her hands full in recent years as UnitedHealth has expanded and acquired new assets to become one of the world's largest healthcare companies. Having joined UnitedHealth's corporate legal team in 2004, Smith became corporate secretary in 2007, earning *Corporate Secretary* magazine's "Secretary of the Year" honor in 2008.

Paul Washington, Time Warner

Being senior vice president, deputy general counsel, and corporate secretary to the board of Time Warner, Paul Washington may just be one of the hardest working individuals at the media conglomerate. The legal expert has had a multi-variegated career, having logged time as a clerk for the U.S. Supreme Court, a banker, a private attorney, and within the government. He has also served as an adjunct professor of law at Fordham University.

Coke's Secret Governance Formula

After passage of Sarbanes-Oxley in 2002, there was a bevy of activity as some companies recruited or named corporate governance officers. The Coca-Cola Co.'s **Mark Preisinger** was described as one of "the best-kept secrets of the world's best companies" in a 2006 Business 2.0 cover story. Preisinger joined the soft drink giant in 1984 and served in various public policy-related capacities leading up to his appointment in 2007 as vice president of stakeholder engagement and subsequently to the director of corporate governance role earlier this year. Among his primary responsibilities is to run Coca-Cola's shareowners affairs program, coordinating relations between Coke and its investors on corporate governance, environmental, and social issues. Preisinger is a regular on the corporate governance circuit. He serves on boards for the International Corporate Governance Network, Millstein Center for Corporate Governance at Yale, and the IRRC Institute. "Today, it takes more than an annual shareholders meeting and a proxy statement to keep investors plugged in," says Preisinger. "Dedicating resources at the right level of the organization is critical to ensure that corporate governance and share-owner relations is something more than just an extension of PR."