

The Crisis Exchange

part ii



Jay Spievack: Okay, the deal. We're talking about two businesses that are in love with each other and they've got a matter of days in which to close a billion-dollar deal. Your company announces its intent to buy another company and you are potentially facing their past liabilities.

Mark Charron: You need to dig right in and start looking at the exposures. If you're coming up with exposures and not seeing a corresponding insurance program or accrual on the balance sheet, that needs to be reflected in the purchase price or in some other way.

Ken Morris: It's critical to understand the historical picture—the entities' antecedents. If companies A, B and C form some conglomeration, what happened before A? Was A formed by Z and Y? And did Company P have a 40 percent interest in that? If a company is the conglomeration of predecessors, like AgrEvo, you have to go back several decades, because environmental Superfund and other liabilities may or may not have a mortal lifespan.

Barbara Price: A company that Phillips acquired had some liabilities it wasn't aware of. They were being totally open and honest, but we got some liabilities no one knew existed. The typical boilerplate legal representations and warranties in many deals simply do not anticipate this situation.

Ken: Pre-contract and post-contract charts are very use-

ful. Before the deal, they help you focus in on the exposures; after the deal is written and the indemnities are fixed, it's useful to get your hands around exposures and see where there are insurance coverage or other gaps.

Jay: We've focused on two important issues. First, how the liabilities are going to be spread between the two companies in terms of indemnifications. As Barbara points out, the typical indemnification may not be enough. Second, how will the liabilities be spread among insurance companies or risk retention mechanisms. I agree with Ken that charts are very helpful in this regard. Bill, your company has gone through divestitures and liability issues and reorganizing. How do you handle these issues when they arise post-merger?

Bill Strenig: Hopefully, you're clued in before any definitive agreement to merge is executed, so you can ask the right questions and get the business people to think about how they want to structure the deal. Do they want it to be an acquisition of stock or purchase of assets? I don't think you can write a blueprint for due diligence; you have to prepare for each particular situation.

Barbara: I've never been given the time or the money to do that. I've had to narrow down very quickly where the risks are and what, in the end, is going to really matter. For example, if we were going to buy another oil company, I'd

ask if they were ever in the pesticide business. If they were, I know they're going to have groundwater contamination that might take years to clean up. If they weren't, I go to the next problem on my list.

Jay: So you've thought about the set of key exposures that concern you.

Barbara: Exactly.

Bill: Our role is to raise these issues in the consciousness of those who make decisions. You can't eliminate all problems, but you can give the decision-makers as full a set of information as possible.

Alicia Junta: The way I see it, I'm not only in a position to tell them what their exposures are, but I'm also expected to find solutions. I'm not there to say, "You can't do this because I don't like an exposure you may be picking up."

Mark: Yes. We try to help our clients understand how information, data and history impact the purchase price. Accessing value and risk in the transaction price is key.

Barbara: It is very hard for business managers who are looking for a deal to hear you when you try to warn them about these things. When people aren't ready to hear you, they aren't going to. The question is, what risks are big enough to kill the deal? And if it's \$50 million before it affects the deal, then there are things I don't even think about.

Kenneth Levinson: I've never seen a situation where people did not want to know what they were getting. So wherever the data is, get it. Get permission to look at it if you can't take it out of the room. Talk to their outside advisors, like lawyers, accountants, brokers. Find out the insurance company's institutional knowledge of the target company. Insurance is a mammoth database of history and exposures. Interview employees, ask them what they know, what they are concerned about, what risks haven't been discussed or reserved. And look at purchasing excess protection, tail insurance, run-off, things like that.

Mark: What are the key issues that you advise management on, Jay?

Jay: If my client is buying a piece of the company as opposed to the en-

tire thing, or is in a deal involving two or more surviving entities transferring risks, I focus on two things: first, the pertinent information and legal risk transfers; second, how to draw up a proactive legal document favoring my client in the responsibility for the handling of future unknown risks and expenses that become claims. I want the institutional knowledge of claims that might arise ten years from now, which the acquirer-successor can use to its benefit: how operations were closed down; relevant insurance history. We also need to focus on post-merger issues. How will the warranties meet the needs of the deal, as Barbara



mentioned, and how will they expose my client? Ken Morris raised another issue; let's say we're in a self-insured situation, but we're buying a company that had historical insurance from one carrier, or a few carriers, for a number of years. I would ask the carrier, "You've had a relationship with this company; what kind of tail or claims management policy can I buy from you?" This gives them an incentive to sell you something so that if problems arise, they can make money and you get to hedge against the risk in the future. You also have to understand the real exposures and make sure that if there are going to be layoffs, the institutional knowledge is accessible. You need to do meaningful, creative and low-cost searches that can cut down risk.

Charles Dougherty: There is also an issue about whether there are any limits left. The existing company may have already used them up. So, on a first look you say, "I've had \$50 million of liability insurance over the

past ten years, I'm in good shape with the current policies," and then you find out that there's only \$10 million.

Jay: That's a good point. I would also want to ask, "Have you had any big insurance coverage litigation? Have you settled any big claims?" We always put in our insurance coverage settlements that if we sell the company, we can disclose this confidential agreement to a buyer or to a seller so that they will get a sense of what's exhausted. And it's a very important question because \$50 million may be more like a dollar forty-nine and a cup of coffee.

Mark: For organizations that have a checkered heritage—mergers, acquisitions, spin-offs, etc.—tracking corporate history is a challenge. A manufacturer, for example, can have discontinued products jump up later and turn into some very large claims.

Kenneth: One of the classic situations is when you buy a company, you actually take on what they call a D&O policy, and once you've affected the deal that policy generally ceases to exist due to the change in control of the acquired company. You've then got to figure out whether you want to purchase a separate policy for that subsidiary or apply claims against an escrow, or both. Part of it depends on how you acquire the target and whether it is to have some financial independence. Also, whether your limits now for the larger enterprise are adequate, or if you've included all the entities that are supposed to be included. This effects liability policies, property policies, workers' comp, the whole range. But moving from pre-acquisition to post-acquisition requires you to look at your coverages and your record with the various insurers, so that you don't miss something.

Ken: Your due diligence is building for pre- and post-mergers. That's why charts are helpful. It is also crucial that there is a dialogue, so that if there is a past history of particularly heinous exposures, the information and history is brought to light. The interpersonal dynamic is crucial. Due diligence can't be force-fed.

Jay: Alicia, this is a role I'll only get

to play once: I'm the CEO and I ask you: "How are you going to help me find the solutions for the drug company that we're buying tomorrow?"

Alicia: Well, we're heavily self-insured, so we make sure the company we're buying is adequately reserved, whether they have adequate accruals for claims. We look at their past exposures, and whether we need to set up any additional reserves for possible exposures going forward.

Bill: The first place we look is the balance sheet: What's been accrued for? What kind of liabilities are carried by insurance? How large is the self-insured retention or deductibles? How were they carried in the past? You ask these questions to get a good idea of where you might have gaps. And then you have to try and reconcile whether or not the company has made adequate reserves all along.

Jay: Mark, what if the company

here. One is to identify the key issues or exposures. Two, we want the insurance history, to go back and possibly talk to the insurers about a deal so we know that they're on board if we need them. We want to know who the brokers were, and how we can go back and get information. With respect to the drafting of the contract, if we're not buying the whole company, we want to be aware of problems that the company didn't know it had. Also, be careful to get the right tail or run-off coverage.

Mark: Many changes are taking place from a jurisdictional interpretation of insurance coverages. What related issues do risk managers need to be looking at in the deal sense?

Jay: You want to make sure that as laws emerge and develop on the basic insuring language within a given state, you're aware of it, so you can equalize your policies with the cover-

how this should be divided, the lawyers representing the victims may seek to get the deepest pocket. Then, the question is how do you defend claims? Who has decision-making authority on settlements? Whose insurance policy will be hit with the loss?

Jay: The Swiss Air crash brought many of these issues to light. Do you have recommendations as to how to identify and solve these problems?

Kenneth: Most of the airlines that are creating or extending their alliances have begun to come to grips with these issues. IATA holds a series of meetings where all the airline risk managers come together and talk about industry-wide problems. The NTSB held a seminar a couple of months ago where representatives of Delta and Swiss Air talked about their recent accident, and what happened on site. People need to learn from each other, from the exchange of in-

"People need to learn from the exchange of experiences."

hasn't been adequately reserved?

Mark: More often than not, you'll see that the target client has not adequately addressed reserves from a balance sheet perspective. Oftentimes, from a claims perspective, you may see an escrow account being set up. If there is a valid dispute between the valuation, you might agree to a dollar amount in escrow that could be used in the event that the deal price includes a certain amount and beyond that, the escrow would be brought into place. That creates some very interesting dynamics on who's going to be handling the claims and who's got control of settlements after the fact.

Charles: We've focused on large acquisitions. I think we also have to be wary of the small ones. Sometimes small, privately-owned companies' risk management philosophy is to make themselves judgment proof. They have essentially no insurance and the owners are not going to be held liable on a personal basis and if something happens they just fold up shop. Buy one of those companies and you're buying a host of trouble.

Jay: Some ideas have come across

age of someone the same size as you, paying the same premium, who's in a state with a better interpretation of that insuring language law.

Kenneth, we're seeing a lot of alliances in your industry. How does that affect risk transfer issues?

Kenneth: The airline industry has decided that it's unwilling to go through regular form mergers and acquisitions. So we're looking for ways to extend our systems without borrowing or extending the capital, both financial and human. These alliances are still evolving, and require a great deal of thought about how to identify the joint risks and exposures, what coverage levels are appropriate both in dollar and content, and how you respond to a major event. There are code shares, where one airline will have the ability to sell seats on another airline; if that other airplane goes down, how do you sort that out? This is complicated by the fact that the American judicial system ends up with different levels of damage awards than the European system or an Asian system might. So even though the airlines have a plan about

formation and experiences. To answer your question, inter-airline and inter-industry information exchanges, like this panel, are a good way to learn. But there is no magic bullet to assure those things get worked out by contract or on the ground.

Jay: Charles pointed out that when you're buying the small private company the indemnity may be nice on paper, but it may not get you to the end of the deal. Big companies—and little companies—often can't find the old insurance policies.

Ken: You have to do homework, retain an insurance archeologist. It requires both discipline and a game plan. You have to decide who to engage, what periods to cover, the initial structure and the budgetary considerations. Are there companies who were former members and can still draw on those policies, even though the partnership was years ago?

Bill: Also, in investigating a company's history in terms of their department organizations, if its current occupants don't know, you ask, "Well, who would know?" And if they're retired, maybe you need to go

back to talk to some retired people and see what they recall. We had the same risk manager for years who was very diligent in maintaining policies, so when he retired, he had a very good index.

Jay: I recommend to clients that they set up an arrangement that before the broker destroys any policy information, they'll allow you to get it back. So write your brokers and tell them to give you right of first refusal.

Charles: The bigger brokers are now consolidating and have a real space pressures. The first thing they're going to do is pitch out the things that they no longer have the contracts for.

Ken: I think that it is absolutely crucial that that task be undertaken while that fiduciary obligation is still alive and well. Because when it's gone, five or ten years later, you go back to the mom and pop broker, and they're not really going to spend

too much time looking for anything.

Jay: Alicia, your company has a strong claims handling philosophy.

Alicia: We're heavily regulated by the FDA and similar European organizations, so we go through a rigorous quality control process. Our philosophy is that we've done the best we can as far as clinical trials, warning customers of the inherent risk in taking any kind of pharmaceutical product, therefore we have an in-house staff who rigorously defend all liability claims. We don't use an outside adjusting firm or insurance company, who typically would rather settle claims quickly. We stand behind what we've done. I'm responsible for funding the litigation or possible judgment that may result from product liability litigation and for setting up those accruals, making sure they're adequate, so I have ongoing discussions with the legal department on how those claims are progressing.

Jay: What if it's a company you bought and they didn't have the self-insurance; they had their insurance companies and then they are merged into your company?

Alicia: We would get rid of their coverage as soon as possible and take over the claims handling internally.

Jay: Charles, have you run into the situation where you are back into the insurance system?

Charles: Yes. I think to some extent we're all mixing self-insurance retention and actual insurance. But we've had policies going back some years and did keep track of the claims and realized that we've exceeded some retentions, and we have the possibility of getting some money back. I think the key is to treat all claims as if we were truly self-insured. And if we can do that, we demonstrate our good faith in handling the claims to the insurers. The second key element is documenta-

tion. Insurers are looking for very detailed information about claims, and unfortunately, they go back a long time and there are boxes and boxes of them. Also, if you have many insurers involved in the program and you're trying to get agreement among them, you have to bring more to the table because they're going to have different policies and different agendas as to where they want to see these claims fall out.

Jay: And that requires understanding your liabilities, insurance in place and the possibilities for maximizing coverage in the jurisdictions in which you've done business. It requires good liability/assets/insurance assets modeling. Ken, what kind of things have you done in that regard?

Ken: It's crucial to maintain excellent documentation on policies and carriers, limits, brokers and claims. Mergers, acquisitions and joint ventures are happening in such a frenetic fashion that you must have a rigorous approach to what you have and what you need to get. We retained an insurance archeologist and have uncovered millions of dollars of policies or policy documentation.

I've also taken a lesson from our European colleagues. We've had success with a nonconfrontational approach. We have a dialogue, a discussion. Sometimes you need to litigate, but sometimes you can agree with a carrier by bringing good information to the table.

Jay: A good way to find old policies is to follow who handled the claim aspects of the liabilities. We were missing five years of policies and followed back the trail of people and came to this manager. One of my associates happened to lean against a cabinet and saw some papers behind it. She picked them up and there was about \$25 million in coverage.

Once we have appropriately protected our clients against their insurer filing declaratory judgment actions in jurisdictions with bad insurance coverage laws, I tell them, "I will educate you on the insurance and on how the deductibles play out and whether the policy's been exhausted



or how much of it has been exhausted, and tell you the different types of releases that you can do. But let's take the litigator and the legal issues out of the business decision by leaving me at home when it comes time to negotiate the deal. The last thing you need is two lawyers talking about how they're going to prevail on the law and what the legal issues are when you're trying to strike a business deal."

Barbara: We've negotiated standstills where they couldn't sue and we wouldn't sue and we'd try to cut a deal. If we couldn't cut a deal, then we would all go back to suing. But in every case except a few, we were able to reach an agreeable settlement.

Jay: As we've discussed, being able to do so relies on having a reasonable, but aggressive, view of what your potential exposures would be, and understanding where your insurance is and how the law in various jurisdictions might apply to insuring your claim. The insurers also need to know that the company is serious about litigation in the absence of a fair deal, and that you've taken the reasonable steps to protect your maximized insurance coverage claim.

Ken: Experienced outside counsel can play an invaluable role in telling you what your odds of success are in a certain jurisdiction. If you have a 20 percent chance of winning if you take it to court versus an 80 percent chance, that will color your negotiating strategy. So it's a partnership between outside counsel and the company and the in-house counsel and the business people.

Jay: One of the things I say when I pitch a piece of business is, "We've

taken a preliminary look at your claims, we've looked at the years that were involved and if we take this approach, you'll maximize coverage for the major claims against you."

Let's talk about getting insurers to the table. How do you get to the right people to settle the claims?

Barbara: Well, we do some in-house, but we also used some outside people who had done this before and knew where to go in the particular insurance company. In all cases, we walked in with a draft of litigation complaint, prepared to file. We said, "This is it, here's what we have and what we're going to file. Here's the other piece of paper which is a standstill. Which would you like to get signed?" And in almost every case, we were able to get a standstill.

Mark: I think all this is very important when put in the context of claims and litigation administration. Claims and litigation represent the company's variable cost in its risk management program and that cost for most large companies is going to disorient the fixed cost aspects. So while every company is different, it's clear that a philosophy and claims handling commitment is a key step in setting up a claims administration program.

Kenneth: You need to do your homework well in advance. You need to have calm, sit-down discussions with the heads of claims of the major insurers and decide how you are going to manage cases, what kind of liaison will be affected between in-house and outside counsel, the communications requirements of the risk manager, and so on. When it comes to defending the company in court, a lawyer wants to maximize your chance for success, whereas the company may not want to see certain kinds of arguments. These sort of catastrophe cases are the perfect example of hard cases making bad law. You may win the battle but lose the war, both economically and in the public relations environment.

Jay: Let's talk about the crisis, the vapor explosion, the airplane crash. We're at the accident site. How do

you handle the press?

Kenneth: There is no substitute for accurate, timely and consistent information. You have to have someone responsible for making the primary contacts with and answering questions from the press. You must separate fact from fiction or speculation. If you don't know, you don't know, and you say so. You don't

speculate. You have people on the site and people back at headquarters. How do those two parties deal with the press, the families, the victims, the community? Who's going to say what? This is a critical element in the communications plan.

We have what we call "go teams." I'm on one, along with corporate communications, finance, lawyers, in-

surance brokers and operational people. We have accident drills. What happens in the period of time between the incident and when the go team gets to the site to take charge. Communications. If you make the wrong statement or the press picks up the wrong sound bite, you are forever going to be remembered by it.

Barbara: And you can't always assume that your designated spokesperson is available. You have to have contingency plans. When we had our accident in 1989, some of our spokespersons were at a funeral.

I also feel strongly about data. I want all I can get. And if the data says I have a bigger problem than I thought, I'll deal with that. I had people taking air samples while the fire was burning, during the whole clean-up process, and when we brought the remaining structures down. Because in the end, if I did expose people to harmful materials, I did it. Period. Nothing would change that. If I didn't, I wanted the data to show I didn't. And indeed we had data on top of data that indicated that while the black smoke was bad—and I don't want to minimize that—we never exposed anybody above any recommended exposure level. And when the lawsuits began, we pulled that data and these claims went away.

Charles: The philosophy should be to immediately demonstrate your moral responsibility. You may not say it outright, but by your actions you demonstrate that you are an upstanding citizen in the community. You can do that through the simple and direct communications that Kenneth was talking about. You can shut down a facility that makes the same product, in the same manner, which shows that you don't understand what went wrong, and you're not going to take any further chances.

Barbara: I agree. It's important to accept responsibility. Planes aren't supposed to crash, plants aren't supposed to blow up. If a Phillips Petroleum Company plant goes up, Phillips has to own that 100 percent.

Jay: Barbara, you collected information but didn't disseminate all of it.

Barbara: Right. I couldn't reveal

what the results were, I could say what was being done to collect the data. And I think that makes a big difference. Now, within the plant itself, there were other kinds of data that we were collecting because we had to be able to get firefighters in to certain areas. We had to find out whether asbestos levels were too high, so those angles had to be analyzed very quickly. This is where government agencies and regulatory bodies can be very, very helpful. I called some of them and said, "Where in the heck are you? I want somebody out here." In our case, one of the most helpful was the woman who chaired the local Emergency Planning Commission. She had almost no chemical or operational understanding, but she had the trust of the community, so that you could get her involved and she could go before the public and say, "Well, they're not hiding it from me." And that makes a difference. Kenneth made the point

formation and people start doing what they're supposed to do.

Jay: How do you deal with the bad information that's out there that all of a sudden gets attributed to you?

Kenneth: You have no ability to control the press, with the possible exception of securing an accident site for purposes of investigation. The reality is that pictures are going to come out. You might even see it first on CNN these days. If there is misinformation out there, you've got to have a single point of contact responding to it. And if the press sticks a microphone in your face, you have to resist the temptation to get yourself plastered on the national news and instead tell them to address that question to corporate communications. You also have to be aware that cell phones can be monitored. You must be very careful in your medium of communications, because if you say something that looks to a court like an admission of liability, you can't

can divide it into three phases: Pre-incident, when you have the luxury of searching, forming a team and a plan, doing the practice with the press. Phase two is where you cover issues that Kenneth talked about, the media, preserving the company's credibility; and phase three is where you draw on the capital that you've developed with governmental agencies.

Charles: In our industry there is a tremendous amount of chemical background information we can provide to the regulatory industries, including testing information and samples, so they can understand what our product is about. We have episodic risk management, where we look at an inventory of material and what the impact is. Is it possible for it to disperse over certain areas? It's important to distribute that to local authorities in advance.

Jay: Episodic risk management means looking at what could be released and saying it's only going to

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that if you lose credibility or put false information out, you'll never get over it. Look at Valdez. Exxon had to be one of the best in the world technically at handling the problem they faced, but from the way they handled that on the front end, they spent literally billions and never recovered in the mind of the general American public. And yet, the Coast Guard will tell you there is not another body in the world that could have done what Exxon did, technically.

Kenneth: You also have to look at how your own people are notified. How do you find out, when you're a diverse national or international organization, that something has happened? We have an automated simultaneous call system, called "Dialogic," which sends out something like sixty calls with a prerecorded message that gives the basic information: what happened, when, flight number, location, survivors—whatever is known. You get consistent in-

undo it. Use land lines if you have them; use encrypted fax or e-mail if you can. We make sure our IS people come out to the site and bring our internal communications systems. Finally, keep what data and information you need, and get rid of the rest. That's classic litigation tactics.

Barbara: We set up accordion files along the floor in alphabetical order and any data anybody got, they put it in that file. We told our people to put down data, not theories. You put down what you know. Period. And then we showed the EPA and OSHA the files and the Xerox machines and said, "Here it is. The only thing we ask is if you make copies or if you take anything out, put it right back in the place where it was." We made it all available. And that defused a lot of the trust issues that you have with some of the regulatory agencies.

Ken: You can't handle these things by hipshooting. You have to have a protocol and process in place. You

spread this far, no farther?

Charles: Right. A dispersion model. Having that information up front and being able to communicate it to the local authorities is important. Respect has to be built with the local people—mayors, police and fire departments, whoever is responsible for emergency response in the area.

Jay: Let's talk about the victims, the dead, their family, the injured and the people that we send to the scene.

Kenneth: We have what we call the ASSIST program: Assistance Support Services Incorporating Specialized Teams. They are trained as the Northwest family liaison people who will go to the site or escort the families to the site to deal with the realities of the accident. They help with personal effects recovery and getting people to the hospital. There is nothing they aren't empowered to do: make their transportation arrangements, take care of the lodging, get them clothes, help with shipment of remains, bring other

family members to them, anything. The families may be coming from all over the world. Most importantly, they facilitate communications. You've got cultural questions, language questions, all in the midst of the most tragic loss that anybody can imagine. Their whole world has changed in the

only one death. There were a number of injuries. One of the things that was important to us was how we dealt with the community. We had people knocking on doors, demonstrating moral responsibility, finding out if people were okay, if they had any questions or concerns, telling them

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blink of an eye. So the ASSIST team is a very important part of the process. Not only do the family members need counseling afterwards, which we offer them both on-site and after they go home, but our employees who are part of this process need it. We must take care of our own people, anybody who goes to the site.

Jay: Do you have them involved in the victim recovery?

Kenneth: No. Victim recovery and identification is actually handled separately as a result of recent legislation, and are the responsibility of the local coroner or medical examiner.

Barbara: When our accident occurred the advice from psychologists was that if our people wanted to help try to find the missing, we should allow them to help. And we did. But if you read the psychological literature now, they'll tell you that your own employees should not, unless there is some very special circumstance, participate in that process. But I agree you must handle the psychological side. Even for people who didn't have anything to do with the accident, but work in a similar operation, we found extremely high benefits by having psychologists meet with them. We opened up centers all around the community near where our accident occurred. Now when we experience any accident involving a serious injury, we send a psychologist to debrief and work it down. We feel we've helped the people, but we also have a lot fewer tag-on lawsuits, claims of psychological problems.

Charles: We had our own incident in 1991. Fortunately for us, there was

what was going on with the plant, how it'd been safely shut down. If we had to do it again, the only thing we could do better is take a broader spectrum of the community. Go to more people than you think is necessary.

Jay: I want to thank everybody for participating. Let's go have dinner. Those of you on the phone, you can have dinner too, but not with us.

Mark: We'll send you the bill.

Panel Participants

Mark Charron is national partner in charge of Deloitte & Touche's risk assessment and management services, in Hartford, Connecticut. He has twenty years of risk management consulting experience, and is one of the key partners at D&T developing methodology on enterprise-wide risk management.

Charles K. Dougherty is manager, Risk Management & Insurance, for Union Carbide Corporation in Danbury, Connecticut, and a deputy member of RIMS.

Alicia Junta is associate director, Risk Management Services, for Hoffman-La Roche in Nutley, New Jersey, a member of the Board of Directors of the Quality Insurance Congress, and a deputy member of RIMS.

Kenneth S. Levinson is vice president of tax, risk management and insurance for Northwest Airlines in St. Paul, Minnesota. He is Chair of the Risk and Insurance Managers Panel, International Air Transport Association, and Chair of the Insurance Committee of the (U.S.) Air Transport Association. Mr. Levinson is an attorney with twenty-four years of experience. He is also a member of the Board of

manufactures and distributes a wide range of agricultural chemical products for plant protection and is also heavily engaged in biotechnology for crop production. Over the past several years, mergers, acquisitions and divestitures have created a labyrinth of companies and prior legal entities. Ken is responsible for dealing with past and potential liabilities of these predecessors and due diligence in handling complex negotiation and litigation related to claims.

B.J. (Barbara) Price is vice president, health, environment and safety of Phillips Petroleum Company in Bartlesville, Oklahoma. She is also a member of the Board of Directors of the National Safety Council.

William Strening is corporate counsel, litigation, for the Chicago Bridge and Iron Company in Plainfield, Illinois. He is responsible for dealing with past potential liabilities, due diligence, complex negotiations and litigation relating to the handling of claims, as well as emerging issues related to mergers and acquisitions.

Jay B. Spievack (moderator) is a Partner, litigation, insurance coverage and mass torts at Kronish Lieb Weiner & Hellman LLP in New York. Mr. Spievack has twelve years of experience in complex multi-party tort and commercial litigation. He exclusively represents corporations and businesses in these claims. Mr. Spievack has helped companies negotiate industry-wide settlements governing mass tort and class action claims with consumers, vendors, suppliers and insurance companies. He lectures and writes regularly.

