



**Harvard Business School  
Turnaround Symposium**

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**MARCH 11, 2003**

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# Harvard Business School Turnaround Symposium

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- 2:45 - 3:00**      **REGISTRATION (BURDEN AUDITORIUM)**
- 3:00 - 3:30**      **WELCOME KEYNOTE ADDRESS**
- 3:45 - 4:45**      **THE ANATOMY OF A DEAL (BURDEN AUDITORIUM)**  
This panel will seek to examine and discuss the background, process and significance of the LTV Steel bankruptcy process and the subsequent sale. Participants, representing several constituencies including turnaround managers (AlixPartners), attorneys (Jones Day), and restructuring advisors (The Blackstone group) will offer their perspectives and experiences around the transaction as well as the broader issues concerning successful structuring and execution of turnaround transactions.  
The panel will also focus on answering the following questions: What are the varying disciplines inside turnaround situations? How do the different parties to these transactions interrelate and interact?  
**MODERATOR:** PROFESSOR PAUL MARSHALL, HARVARD BUSINESS SCHOOL
- 5:00 - 5:45**      **TURNAROUNDS FROM THE GLOBAL PERSPECTIVE (SPANGLER AUDITORIUM)**  
Building on their experience as investors, consultants or managers, panelists will introduce students to the turnaround industry outside of the U.S., cross-border restructurings, the lifestyle of an international turnaround operator and tips to play the game.  
**MODERATOR:** PROFESSOR NABIL EL-HAGE, HARVARD BUSINESS SCHOOL
- PANEL 2      **TURNAROUNDS IN THE AIRLINE INDUSTRY (ALDRICH 112)**  
With two of the ten largest bankruptcies in 2002 occurring in the airline industry (United Airlines and US Airways) the panel will address the highly topical issues in the airline restructurings. Drawing on their experiences the panelists will focus on the following themes: What makes the airline industry susceptible to bankruptcies? What are the key industry specific success factors in the restructuring work? What are some of the particular issues the panelists are facing in their current projects (subject to confidentiality)?  
**MODERATOR:** PROFESSOR GREGOR M. ANDRADE, HARVARD BUSINESS SCHOOL
- 5:55 - 6:35**      **INVESTING IN DISTRESSED SITUATIONS (ALDRICH 112)**  
The panel will be composed of private equity and distressed debt investors who focus on distressed companies and take an active role in restructuring them as a path to value creation. First, the panelists will discuss the types of distressed investment strategies while highlighting the key success factors and pitfalls as well as the skills necessary to execute the strategy. Then, the focus will shift to the outlook/future trends for distressed investing. Finally, the panelists will discuss career opportunities for HBS grads and provide them with recommendations on career tracks.  
**MODERATOR:** PROFESSOR RONALD W. MOORE, HARVARD BUSINESS SCHOOL
- PANEL 2      **LEADING THE TURNAROUND (SPANGLER AUDITORIUM)**  
Panelists will discuss the process of turning a company around specifically highlighting the key success factors and pitfalls. Subsequently, the focus will shift on the turnaround managers, the skills required and challenges encountered by either board members, or the executives themselves.  
**MODERATOR:** PROFESSOR PAUL MARSHALL, HARVARD BUSINESS SCHOOL
- 6:45 – 7:45**      **COCKTAIL RECEPTION (SPANGLER HALL - WILLIAMS ROOM)**





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# TURNAROUND SYMPOSIUM BIOGRAPHIES

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## Keynote Address

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### Howard Brod Brownstein Principal, NachmanHaysBrownstein

Mr. Brownstein has specialized in turnaround management for over ten years. In addition to leading turnaround assignments for NHB's clients, Mr. Brownstein has principal responsibility for the firm's debt and equity refinancing activities, as well as the marketing of its services to clients, their advisors and lenders. He has led client assignments in a variety of industries, fulfilling the roles of CEO, CFO or COO. He has also served as Financial Advisor to Debtors and to Creditor Committees in Bankruptcy Proceedings, and served as an expert in the landmark *Merry-Go-Round* case as well as in other proceedings.

Prior to joining NHB, Mr. Brownstein held senior positions including Managing Director and Shareholder of Executive Sounding Board Associates Inc. (ESBA), President of Phoenix Capital Resources and Executive Vice President of its affiliate Phoenix Management Services, Inc. Previously, he was Managing Director of Enprotech Corp., a wholly-owned subsidiary of ITOCHU (formerly C. Itoh), one of the world's largest companies. Enprotech acted as ITOCHU's acquisition and holding company for engineering service and product businesses with over \$1 billion in assets.

Mr. Brownstein has served in several senior executive and board positions, including CEO and COO of The Stone Group, a leading multinational manufacturer of comfort and safety equipment for the passenger rail industry with operations in the United States, Spain and England. He has also served as CFO of a multinational machinery parts distributor and has been responsible for establishing key strategic business alliances, including a major multinational service company covering a broad range of businesses, and a leading retail store chain. Prior to becoming a turnaround management consultant, Mr. Brownstein served on the Board of a regional bank and founded a metals trading firm.

Mr. Brownstein is a Certified Turnaround Professional (CTP). He is a Director of the Turnaround Management Association (TMA), has served on its national Executive Committee, and is a member of the Editorial Board of the *Journal of Corporate Renewal*. He also serves as a Contributing Editor of *ABF Journal*.

Mr. Brownstein is a frequent speaker at professional and educational programs, and a regular contributor to journals and periodicals. He is a graduate of Harvard University where he obtained JD and MBA degrees in a four-year joint program. His studies there focused on legal and business aspects of finance, marketing and corporate strategy. Following graduation, Mr. Brownstein was admitted to practice law in Pennsylvania, Massachusetts and Florida, and retains active status for continuing legal education in Pennsylvania.

Mr. Brownstein graduated from the University of Pennsylvania where he obtained Bachelor's degrees *cum laude* from both the Wharton School and the College of Arts and Sciences. Completing his studies at Penn in three years, Mr. Brownstein fulfilled major fields of study in finance, statistics and history.



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## Panel Moderators

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### **Gregor M. Andrade**

#### **Professor, Harvard Business School**

Gregor Andrade has been a member of the Harvard Business School Faculty in the Finance Area since 1999. He teaches Corporate Financial Management (CFM), an advanced Corporate Finance and Valuation course in the second year Elective Curriculum of the MBA Program, as well as in various Executive Education programs.

Professor Andrade has an undergraduate degree in Economics from MIT and a Ph.D. in Finance at the University of Chicago's Graduate School of Business. Before entering graduate school, he was a Mergers and Acquisitions analyst at the investment banking firm of Wasserstein Perella.

Andrade's research interests can be broadly described as empirical corporate finance, with an emphasis on corporate restructuring events, particularly mergers and acquisitions. His paper "How Costly is Financial (not Economic) Distress? Evidence from Highly Leveraged Transactions That Became Distressed" (co-authored with Steven Kaplan of the University of Chicago) won the 1998 Smith Breeden Prize for best paper in the Journal of Finance.

### **Nabil N. El-Hage**

#### **Senior Lecturer, Harvard Business School**

Nabil N. El-Hage (re)joined the faculty at Harvard Business School as a Senior Lecturer in the Finance Area in January, 2003. He had previously served on the finance faculty in 1984 and 1985, during which period he taught the first-year required finance course and developed cases on capital structure and innovative financial instruments.

Mr. El-Hage has served as Chairman and CEO of Jeepers! Inc. since January 1995. Jeepers! is a venture-financed national chain of indoor theme parks, offering mechanical rides, skill games, a dining venue, and birthday parties to families with young children. After growing its revenues five-fold between 1995 and 1999, the company went through a period of financial distress. Within the past three years, under Mr. El-Hage's guidance, Jeepers! went through a complete restructuring of its operations and its capital structure. Overhead was slashed, leases were renegotiated, unprofitable facilities were closed, and the balance sheet was restructured. In the process, the company went from annual losses of \$5 million to a positive EBITDA of \$2 million.

Prior to joining Jeepers!, Nabil had experience in venture capital (with TA Associates and Advent International), as well as in the restaurant industry. He started his career with McKinsey & Company, Inc. in New York, in 1980. In the fall of 1985, he joined TA Associates, in Boston. In 1988, Nabil became Chief Financial Officer of the Westwood Group, Inc. (OTC: "TWGI") and its restaurant subsidiary, The Back Bay Restaurant Group, Inc. (NASDAQ: "PAPA"). At Back Bay, he led the successful spin-out of that group through a \$33 million initial public offering.

Mr. El-Hage has served on a dozen boards of private and public companies, ranging from start-ups to over \$200 million in revenues.

Mr. El-Hage graduated cum Laude from Yale University with a degree in electronic engineering (1980), and earned his MBA with the Highest Honors, as a Baker Scholar, from Harvard Business School (1984). At HBS, he also received numerous awards for academic achievement, including the Henry Ford Foundation Award, the Loeb-Rhodes Fellowship, and a Dean's Doctoral Fellowship.

## **Paul W. Marshall**

### **Professor, Harvard Business School**

Professor of Management, Paul W. Marshall, is affiliated with the Entrepreneurial Management area and is Course Head for the Required Curriculum course entitled The Entrepreneurial Manager. He has also taught the course entitled Running and Growing the Small Company in the Elective Curriculum of the MBA program and the Finance Course in the Required Curriculum. He was selected by the MBA Class of 1998 and the MBA Class of 1999 as one of their Outstanding Professors. Professor Marshall has been a member of the Harvard Business School faculty on two prior occasions. From 1968 to 1976 he was a full-time faculty member and served as course head for the Production and Operations Management course in the Required Curriculum. He also taught and developed material in Managerial Economics, Decision Analysis, Manufacturing Policy, and Project Management. From 1989 to 1991 he held a part-time appointment as Adjunct Professor and taught the Required Curriculum course, Management Policy and Practice.

His most recent job before returning to Harvard was Chairman and CEO of Rochester Shoe Tree Company, Inc. He managed this company during a four-year turnaround and implemented a major reorganization and cost reduction program that improved profitability in the face of declining sales. In 1977 he was a cofounder of Putnam, Hayes and Bartlett, a management consulting firm. As a principal of this firm he directed studies to analyze the competitive dynamics within the International Steel Industry and the International Iron Ore Industry. He Co-authored 'Economics of International Steel Trade: Policy Implications for the United States' and was one of the American representatives to OECD conference on Future of the World Steel Industry. He also founded Marshall Bartlett Incorporated and while serving as a principal of this firm he conducted strategic reviews for companies with interests in the Health Care Industry, the Food Packaging Industry, and the Steel Production and Distribution Industry.

He received a Bachelor of Science in Electrical Engineering with High Honors from the University of Cincinnati and his MBA with High Distinction and his DBA degree from Harvard. He is the co-author of two text and case books: *Managerial Economics: Text and Cases*, in association with Charles Christenson and Richard Vancil; Richard D. Irwin, Homewood, Illinois; July 1973; *Operations Management: Text and Cases*, in association with W. Abernathy, J. Miller, P. Olsen, R. Rosenbloom and D. Wyckoff; Richard D. Irwin, Homewood, Illinois; May 1975.

He is married to Judith Bartlett Marshall and they live in Lexington, Massachusetts. They have three children--Tiffany, Christopher and Patrick. He has been a member of the Lexington Board of Selectmen, the Cary Library Board of Trustees and the Board of Governors of the Lexington Golf Club. He is Past President of the Massachusetts Municipal Association and a member of the Governor's Local Government Advisory Committee. He was a member of the Massachusetts Special Commission on Tax Reform and the Governor's Task Force on Local Finance. He currently serves on the Board of Directors of Raymond James Financial, Keurig Inc., Rochester Shoe Tree Company, Inc. and MARTEST, Inc. In 1995 he served as a member of the U.S. Export Import Bank Advisory Committee.



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In 1983, he received the Distinguished Alumnus Award from the University of Cincinnati College of Engineering.

## **Ronald W. Moore**

### **Adjunct Professor, Harvard Business School**

Ronald W. Moore is an Adjunct Professor of Business Administration at the Harvard Graduate School of Business Administration. He received an A.B. in Government from Harvard College and an M.B.A. in Finance from the Harvard Graduate School of Business Administration. From 1972 to 1974, he was an Assistant Professor of Business Administration at HBS. He joined Lehman Brothers as an Associate in 1974 and was a Managing Director of Lehman Brothers from 1980 to 1984, and a Managing Director of Shearson Lehman Brothers from 1984 to 1990.

While employed by Lehman Brothers and its successors, he worked at various times as a corporate finance generalist and as head or co-head of specialist groups in financial restructuring, in primary capital markets and in non-depository financial institutions. Mr. Moore rejoined the faculty of the Harvard Graduate School of Business Administration in the Fall of 1990. In teaching, research, and consulting, he specializes in corporate finance.





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## The Anatomy of a Deal

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This panel will seek to examine and discuss the background, process and significance of the LTV Steel bankruptcy process and the subsequent sale. Participants, representing several constituencies including turnaround managers (AlixPartners), attorneys (Jones Day Reavis & Pogue), and restructuring advisors (The Blackstone Group) will offer their perspectives and experiences around the transaction as well as the broader issues concerning successful structuring and execution of turnaround transactions.

The panel will focus on answering the following questions: What are the varying disciplines inside turnaround situations? How do the different parties to these transactions interrelate and interact?

MODERATOR: PROFESSOR PAUL MARSHALL, HARVARD BUSINESS SCHOOL

### **James J. Bonsall, Jr.**

#### **Principal, AlixPartners LLC – Sprecher der Geschäftsführung, ish GmbH and Co. KG**

Jim is a seasoned executive with extensive experience in the manufacturing, high technology, and telecommunications environments. He has over 25 years experience serving European and multinational > public and privately owned companies.

Jim is currently serving as the Chief Executive Officer of Germany's largest privately-held cable company – ish GmbH and Co. KG. Jim, in his prior role of Chief Financial Officer of ish and another German cable company in Baden-Württemberg has led the efforts to restructure their balance sheets, reduce costs, and improve business processes. In addition, Jim led the effort to obtain additional financing from secured lenders and vendors in amounts exceeding Euro 540 million.

Jim served as president and chief executive officer of Peregrine Incorporated since the company's purchase in May 1998 through October 2001. He has led Peregrine through a successful restructuring plan, transforming the company into a strong, growing business.

Jim served as the Chief Restructuring Officer of LTV Steel, a \$5 billion integrated steel manufacturer. Jim assisted the CEO in developing and implementing a restructuring strategy that resulted in the prospect of long term viability for this troubled steel supplier.

Previously, he served as the CEO of Air Transport International, an air cargo and charter combination passenger and cargo service provider with revenues of \$130 million. Prior to ATI, he was named senior vice president and interim CFO of FoxMeyer Drug Company, a \$5.4 billion unit of Dallas-based FoxMeyer Health Corporation. At the conclusion of the sale of FoxMeyer's business, Jim continued in the role of CFO to lead the integration process for the acquirer.

Prior to joining AlixPartners, Jim was the CFO of Environmental Quality Company, a \$90 million company that provides hazardous and non-hazardous waste treatment, stabilization, recycling and disposal services. Jim was also a partner at Ernst & Young LLP for six years.





## **Rick Cieri**

### **Partner; Chairman, Business Restructuring and Reorganization, Jones Day**

Rick Cieri chairs the Firm's worldwide Business Restructuring and Reorganization practice. He was named in the April 2000 issue of *The American Lawyer* as one of the top 10 corporate dealmakers in the nation and in the December 2001 issue of *Ohio Lawyers Weekly* as one of its lawyers of the year.

He also has been recognized by *Turnarounds & Workouts* as one of the country's outstanding bankruptcy lawyers in 1999, 2001, and 2002 and in the *K&A Restructuring Register* of "America's Top 100 Restructuring Professionals." He is a member of the American College of Bankruptcy Lawyers and is listed in the bankruptcy law section of *The Best Lawyers in America* and *The Guide to the World's Leading Insolvency Lawyers*.

Rick's practice involves representing debtors, creditors' committees, and secured creditors in restructurings and bankruptcies, advising the boards of directors of financially troubled companies, providing advice in connection with tort and product liability claims facing a debtor and technology and intellectual property issues, in the structuring of secured and commercial transactions (including advice related to fraudulent conveyance, corporate spin-offs, and related securities issues), and the acquisition of and lending to financially troubled companies.

He has played a key role in many of the country's largest chapter 11 cases and business restructuring matters. He was debtors' counsel to Federated Department Stores, Inc./Allied Stores Corporation; LTV Steel Company, Inc.; Laidlaw Inc.; Alderwoods Group; Purina Mills, Inc.; Fruehauf Trailer Corporation; Montgomery Ward Holding Corp., Incorporated; World Kitchen, Inc.; Teleglobe Inc.; Napster, Inc.; Morrison Knudsen Corporation; Trans World Airlines, Inc.; Great American Communications Company; The Elder-Beerman Stores Corporation; Rax Restaurants, Inc.; and Cardinal Industries, Inc. in their respective chapter 11 cases or out-of-court restructurings.

Furthermore, he was creditors' committee counsel in the Official Financial Institutions' Committee of Kmart Corporation; Olympia & York Developments Limited; Allegheny Health, Education and Research Foundation; the Stratosphere Corporation; and GWI, Inc. and Specialty Foods Corporation chapter 11 cases. He was also counsel to Federated Department Stores in its acquisition of R.H. Macy & Co., Inc.

Rick has lectured and written numerous articles dealing with the restructuring of troubled leveraged buyouts, spin-offs, resolution of tort and product liability claims, fraudulent conveyances, fiduciary duties of directors of insolvent corporations, prepackaged bankruptcy plans, intellectual property and technology issues in bankruptcy, plan confirmation and cramdown requirements of the Bankruptcy Code, securities issues in bankruptcy, and reclamation rights.







## **Raffiq A. Nathoo**

### **Senior Managing Director, The Blackstone Group (Mergers & Acquisitions Advisory group)**

Since joining Blackstone in 1991, Mr. Nathoo has been involved in both the Advisory and Private Equity investment areas of the firm. Mr. Nathoo has advised many of the firm's important corporate clients on a variety of complex domestic and international merger & acquisition assignments.

Among the transactions Mr. Nathoo has been involved in are Aquila's common stock exchange offer with Utilicorp United; the sale of Enron's North American gas and power trading business to UBS Warburg; Northern States Power Company's merger with New Century Energies, Inc.; the sale of LG&E Energy Corp. to PowerGen plc; Sony's investment in General Instrument Corporation; US Airways Group's acquisition of the US Air Shuttle; the sale of LTV's integrated steel business to W.L. Ross & Co.; Blackstone Capital Partners' investment in The Edward J. DeBartolo Corporation; Sanofi's acquisition of Sterling Winthrop Pharmaceuticals; and several of PepsiCo's joint ventures in Latin and South America. He also helps to develop investment opportunities for Blackstone's Private Equity business.

Before joining Blackstone, Mr. Nathoo was a member of the Mergers & Acquisitions and Merchant Banking Departments of Salomon Brothers Inc. Mr. Nathoo received a BA from Dartmouth College and an MBA from Harvard Business School. He is a member of the Council on Foreign Relations and serves on the Board of Directors of the Children's Museum of Manhattan.





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## Turnarounds from the Global Perspective

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Building on their experience as investors, consultants or managers, panelists will introduce students to the turnaround industry outside of the U.S., cross-border restructurings, the lifestyle of an international turnaround operator and tips to play the game.

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### **James J. Bonsall, Jr.**

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### **James P. Fogarty**

**Managing Director, Alvarez & Marsal Inc. – SVP Chief Financial Officer, The Warnaco Group**

Jim Fogarty is a Managing Director with Alvarez & Marsal Inc., a leading turnaround and crisis management firm, since 1994, providing 'soup to nuts' crisis management and restructuring advisory services to numerous troubled companies in a variety of industry sectors.





In his over eight years with the firm, Jim has served as a restructuring officer, operating officer or consultant to numerous companies tackling a variety of core problems, from “healthy” companies with balance sheet problems to “sick” companies with complex financial and operating issues. Mr. Fogarty successfully balances the intense ‘blocking and tackling’ associated with taking on core business problems with the careful management of constituencies toward a consensual case direction.

Mr. Fogarty is currently Senior Vice President and Chief Financial Officer of The Warnaco Group, the \$1.5 billion global apparel maker which will emerge from bankruptcy in early 2003 after completing a successful turnaround. Prior to Warnaco, he held several senior management positions - Assistant Chief Restructuring Officer of Bridge Information Systems, Chief Executive Officer of DDS Partners LLC, Senior Vice President Finance of AM Cosmetics Inc. and Operations Director of Color Tile Inc. Additionally, Jim provided restructuring advisory services to Fruehauf Trailer Corp. and Homeland Stores Inc.

Prior to joining A&M, Mr. Fogarty spent four years with the Corporate Transactions Group of KPMG Peat Marwick.

Mr. Fogarty holds a B.A. Degree in Economics and Computer Science from Williams College, a M.S. in Accounting from the Leonard Stern School of Business at New York University and a M.B.A. in Finance and Accounting from the Leonard Stern School of Business at New York University. He is also a licensed CPA.

## **Charles C. Hale**

### **General Partner, Divestiture Growth Capital**

Charles Hale is the founding Partner of Divestiture Growth Capital (“DivestCap”), an investment fund specializing in acquiring, managing and growing technology companies. With \$100 million in committed capital, DivestCap acquires technology corporate divestitures in need of operational and financial restructuring.

For the acquired company, DivestCap's mission is to build value, providing the resources each investment needs to realize its potential. For the selling company, DivestCap's mission is to meet the seller's objectives by structuring transactions quickly and flexibly, with certainty of close. For the acquired company's customers, DivestCap's mission is to create added value by making their satisfaction the cornerstone of its management approach.

Previously, Mr. Hale was an associate with Deutsche Bank AG's buyout fund, DB Capital Partners LP, where he specialized in technology buyouts. Prior to DB Capital, Mr. Hale held various operational roles for Inso Corporation, a distressed 500 person enterprise software spinout from Houghton Mifflin. At Inso, Mr. Hale was predominantly responsible for rationalizing struggling software businesses. Prior to Inso, Mr. Hale was a Senior Analyst in Technology Corporate Finance at Alex. Brown & Sons, where he specialized in distressed and legacy software.

Mr. Hale received an M.B.A. with honors from Harvard Business School and a B.A. from Yale University, where he was elected to Phi Beta Kappa. Mr. Hale won the 1999 Fidelity-HBS Investment Challenge.





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## Turnarounds in the Airline Industry

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With two of the ten largest bankruptcies in 2002 occurring in the airline industry (United Airlines and US Airways) the panel will address the highly topical issues in the airlines restructurings. Drawing on their experiences the panelists will focus on the following themes: What makes the airline industry susceptible to bankruptcies? What are the key industry specific success factors in the restructuring work? What are some of the particular issues the panelists are facing in their current projects (subject to confidentiality)?

MODERATOR: PROFESSOR GREGOR ANDRADE, HARVARD BUSINESS SCHOOL

### **Thomas J. Allison**

#### **Chief Operating Officer - Corporate Advisory Services, Huron Consulting Group**

Tom is the Chief Operating Officer in Huron Consulting Group's Corporate Advisory Services. He was previously the partner in charge of Arthur Andersen LLP's Chicago-based Central Region Restructuring practice, specializing in corporate turnaround, loan workouts, bankruptcy situations, merger and acquisition activities, and raising debt and equity for underperforming companies. He has provided hands-on management of complex turnaround situations and has been an advisor on reorganizations and insolvencies. Tom has extensive experience in negotiating loan agreements and places a significant amount of loans annually to companies in financial distress.

#### Professional experience:

Tom has worked with major financial institutions throughout his career, including Bank of America, Deutsche Bank, J.P. Morgan Chase & Co., Citigroup, Van Kampen Funds Inc., ABN AMRO and LaSalle Bank. Tom has advised these institutions on portfolio companies that have gone through non-discretionary change.

He has been a financial advisor to a large number of companies in numerous industries including: retail, consumer products, general manufacturing, importing, distribution, high technology, healthcare, and paper and packaging. Tom has represented a significant number of debtor engagements. He has been the chief restructuring officer of two NYSE healthcare companies, FPA Medical Management, Inc. and United American Healthcare. Tom is currently the Trustee in the bankruptcy of an asbestos product manufacturer.

Tom is a director and past chairman of the Turnaround Management Association (TMA), as well as a founder and former chairman of the Association for Certified Turnaround Professionals (ACTP). Tom has lectured across the country on turnaround management and has written several articles on quality standards for the industry. He has lectured on turnarounds at Harvard Business School, Amos Tuck Business School and American University. In addition, Tom has testified on modifications to bankruptcy law and has served as an advisor to President Clinton's Economic Council (Bankruptcy Working Group).

#### Education

DePaul University B.S. Management, Chicago, Illinois  
DePaul University M.B.A. Finance & Accounting, Chicago, Illinois  
Certified Turnaround Professional

#### Other interests

Turnaround Management Association  
Commercial Finance Association





## **Gina Gutzeit**

### **Senior Managing Director, FTI Consulting, Inc.**

Ms. Gutzeit is a Senior Managing Director at FTI Consulting, Inc., formerly FTI Policano & Manzo and PricewaterhouseCoopers Business Recovery Services. FTI Consulting is a publicly traded, multi-disciplined consulting firm with leading practices in the areas of financial restructuring and litigation support.

She has 20 years of experience in operational and financial restructuring, bankruptcy proceedings, and litigation services. Ms. Gutzeit has served in matters as an interim CFO and court appointed examiner. A selected list of industries in which she has been involved include: transportation including aviation and shipping, service providers, health care, telecommunications, retail, distribution, manufacturing, securities/commodities, hospitality, restaurants, proprietary schools, construction, mining and real estate.

Prior to FTI Consulting, Ms. Gutzeit was a partner with PricewaterhouseCoopers LLP and had been part of the Business Recovery Services practice for over 10 years. She also worked in Ernst & Young's restructuring group and at Peterson Consulting.

Ms. Gutzeit is a certified public accountant, Certified Insolvency and Restructuring Advisor and a Certified Fraud Examiner. She is a member of the AICPA, AIRA, American Bankruptcy Institute and International Women's Insolvency & Restructuring Confederation.

## **Richard P. Schifter**

### **Managing Partner, Texas Pacific Group**

Rick Schifter joined Texas Pacific Group in 1994 and focuses on distress investing.

Prior to joining Texas Pacific Group, Mr. Schifter was a partner at the law firm of Arnold & Porter in Washington, D.C., where he specialized in bankruptcy law and corporate restructuring. David Bonderman, founding partner of Texas Pacific Group, and Mr. Schifter represented Braniff Airways in its first Chapter 11 proceeding in 1982-83. Mr. Schifter subsequently represented Air Partners in connection with the acquisition of Continental Airlines in 1993 and acted on behalf of Texas Pacific Group in connection with the America West transaction in 1994 and the Ryanair transaction in 1996. He continues to be actively involved in pursuing opportunities in the airline sector.

Mr. Schifter joined Arnold & Porter in 1979 and was a partner from 1986 through 1994. Mr. Schifter is a member of the District of Columbia Bar and graduated cum laude from the University of Pennsylvania Law School in 1978. He received a B.A. with distinction from George Washington University in 1975.

Mr. Schifter currently serves on the Boards of Directors of America West Holdings, Inc., Grupo Milano, S.A., Ryanair Holdings, L.L.C., Alpargatas, S.A.I.C., Bristol Group, Productora de Papel, S.A. de C.V (Propasa), Empresas Chocolates La Corona, S.A. de C.V. (La Corona) and is a member of the Board of Directors of the Washington Chapter of the American Jewish Committee, YouthINC. (Improving Non-profits for Children) and the EcoEnterprise Fund of the Nature Conservancy.



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## **Investing in Distressed Situations**

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The panel will be composed of private equity and distressed debt investors who focus on distressed companies and take an active role in restructuring them as a path to value creation. First, the panelists will discuss the types of distressed investment strategies while highlighting the key success factors and pitfalls as well as the skills necessary to execute the strategy. Then, the focus will shift to the outlook/future trends for distressed investing. Finally, the panelists will discuss the opportunities for HBS grads interested while providing their recommendations on potential career tracks.

MODERATOR: PROFESSOR RONALD W. MOORE, HARVARD BUSINESS SCHOOL

### **Wallace L. Rueckel**

#### **Partner, Questor Partner Funds**

Mr. Rueckel has over thirty years of senior corporate financial management experience with several multi-national corporations including Hartmarx, Guardian Industries, Sundstrand Corp. and Cummins Engine Company. Prior to joining Questor in 1995, Mr. Rueckel was the executive vice president and chief financial officer of Hartmarx Corp. Throughout his career, he has been responsible for sourcing, structuring and negotiating financial transactions including placements and commercial paper programs. He is also experienced in working with troubled companies and structuring manufacturing joint ventures in the U.S. and abroad. Mr. Rueckel received his A.B. degree from Ohio State University, his M.B.A. from the University of Wisconsin (Madison) and attended the Harvard University executive management program.

### **Jonathan Lavine**

#### **Managing Director, Bain Capital- Sankaty Advisors**

Jonathan S. Lavine has been a Managing Director of Bain Capital since 1997 and is Chief Investment Officer of its fixed income affiliate, Sankaty Advisors. With over \$5 billion under management, Sankaty Advisors invests in a diversified pool of primarily below investment grade assets, consisting of bank loans, high yield bonds, mezzanine debt, convertible bonds, preferred stock, structured products and special situations.

From 1993 through 1997, Mr. Lavine was an investment executive in Bain Capital's private equity business. Prior to joining Bain Capital, Mr. Lavine worked as a consultant at McKinsey & Company. Previously, Mr. Lavine worked in the Mergers & Acquisitions Department of Drexel Burnham Lambert where he focused on acquisitions, financings and restructurings in a variety of industries. Mr. Lavine received an M.B.A. with Distinction from Harvard Business School and a B.A. Magna Cum Laude and Phi Beta Kappa from Columbia College.

### **Vivian Lau**

#### **Senior Research Analyst, Goldman Sachs Special Situations Investing Group**

Vivian Lau is a Distressed Research Analyst in the Special Situations Investing Group at Goldman Sachs. With \$1 billion under management, Special Situations Investing is a proprietary hedge fund that invests in the debt securities of financially stressed and bankrupt companies. Prior to joining the Special Situations Investing Group, Vivian was a research analyst on the Distressed Bank Loan



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Trading Desk at Goldman Sachs. She graduated from Harvard College with a B.A. in Applied Mathematics and Economics.





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## Leading the Turnaround

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Panelists will discuss the process of turning a company around specifically highlighting the key success factors and pitfalls. Subsequently, the focus will shift on the turnaround managers, the skills required and challenges encountered by either board members, or the executives themselves.

MODERATOR: PROFESSOR PAUL MARSHALL, HARVARD BUSINESS SCHOOL

### Howard Brod Brownstein Principal, NachmanHaysBrownstein, Inc.

Mr. Brownstein has specialized in turnaround management for over ten years. In addition to leading turnaround assignments for NHB's clients, Mr. Brownstein has principal responsibility for the firm's debt and equity refinancing activities, as well as the marketing of its services to clients, their advisors and lenders. He has led client assignments in a variety of industries, fulfilling the roles of CEO, CFO or COO. He has also served as Financial Advisor to Debtors and to Creditor Committees in Bankruptcy Proceedings, and served as an expert in the landmark *Merry-Go-Round* case as well as in other proceedings.

Prior to joining NHB, Mr. Brownstein held senior positions including Managing Director and Shareholder of Executive Sounding Board Associates Inc. (ESBA), President of Phoenix Capital Resources and Executive Vice President of its affiliate Phoenix Management Services, Inc. Previously, he was Managing Director of Enprotech Corp., a wholly-owned subsidiary of ITOCHU (formerly C. Itoh), one of the world's largest companies. Enprotech acted as ITOCHU's acquisition and holding company for engineering service and product businesses with over \$1 billion in assets.

Mr. Brownstein has served in several senior executive and board positions, including CEO and COO of The Stone Group, a leading multinational manufacturer of comfort and safety equipment for the passenger rail industry with operations in the United States, Spain and England. He has also served as CFO of a multinational machinery parts distributor and has been responsible for establishing key strategic business alliances, including a major multinational service company covering a broad range of businesses, and a leading retail store chain. Prior to becoming a turnaround management consultant, Mr. Brownstein served on the Board of a regional bank and founded a metals trading firm.

Mr. Brownstein is a Certified Turnaround Professional (CTP). He is a Director of the Turnaround Management Association (TMA), has served on its national Executive Committee, and is a member of the Editorial Board of the *Journal of Corporate Renewal*. He also serves as a Contributing Editor of *ABF Journal*.

Mr. Brownstein is a frequent speaker at professional and educational programs, and a regular contributor to journals and periodicals. He is a graduate of Harvard University where he obtained JD and MBA degrees in a four-year joint program. His studies there focused on legal and business aspects of finance, marketing and corporate strategy. Following graduation, Mr. Brownstein was admitted to practice law in Pennsylvania, Massachusetts and Florida, and retains active status for continuing legal education in Pennsylvania.

Mr. Brownstein graduated from the University of Pennsylvania where he obtained Bachelor's degrees *cum laude* from both the Wharton School and the College of Arts and Sciences. Completing his studies at Penn in three years, Mr. Brownstein fulfilled major fields of study in finance, statistics and history.







## **G. L. Alcock, Jr. (Peter)** **General Partner, Alcock Ltd. Partners**

Since 1970, Peter Alcock has been active in corporate development and restoring under-performing companies. His career has included several CEO positions and board seats on nationally and internationally known companies.

Alcock was engaged as a strategic management consultant from 1970 to 1980. In 1970, he created an innovative computer lease-financing program for the data entry equipment of **Entrex**, now a division of **Siemens**. He then became president of **Worcester Baking Company**, a regional family-owned bread-baking firm. There he turned around the operations, focused and expanded marketing efforts and helped the family re-establish control. Subsequently he was asked to lead **Educator Biscuit Company**, a Massachusetts based cookie and cracker baking company whose products were distributed nationally. As president, he led Educator out of substantial Chapter XI losses to break-even operations in one year. The venture capital owners then sold Educator to a group of Educator distributors. In 1975, he co-founded **Development Management Consultants (DMC)**, a national model cities urban development firm that also provided damage assessment and engineering services to the Federal Government after natural disasters. When DMC entered the energy consulting business as DMC Energy in 1980, Alcock left to pursue other interests. DMC Energy was subsequently sold to **Honeywell**.

In 1980, Alcock acquired controlling interest in **M. B. Claff & Sons**, a national paper converter in the shoe and gift box business. Claff's bank financing had been called due to excessive losses. Alcock quickly restored the company to profitability and later sold the manufacturing business at a substantial premium. The real estate was retained and leased to Foot-Joy, the golf shoe division of a Fortune 500 company.

In 1987, Alcock acquired **U.S. Repeating Arms Co. (USRAC/Winchester)** out of Chapter XI bankruptcy, leading a group of American investors and Fabrique National de Belgique (FN). Serving as the underwriter, Alcock completed the acquisition of USRAC/Winchester, negotiating with teams representing the city of New Haven, the state of Connecticut, creditors, labor unions, and Olin Corporation, licensor of the Winchester Trademark. Alcock's plan of reorganization succeeded over those presented by investment bankers from the United States, Austria, and Belgium. Alcock was subsequently named President and CEO of this New Haven-based, internationally distributed manufacturer of Winchester sporting rifles and shotguns. In one year he restored profitability, increased market share, and substantially increased the productivity of both the workforce and the administration. In December 1990, after the previously planned sale to FN of his and other American investor interests, Alcock left USRAC/Winchester to pursue other business opportunities.

In December 1992, Alcock acquired **S. Bent & Bros.**, a manufacturer of dining room furniture, based in Gardner, Massachusetts. S. Bent, established in 1867, was originally famous for its wood chairs and later known for its dining room furniture and college chairs. After acquisition, he restored S. Bent's profitability by applying the latest manufacturing technology and by improving the company's image in the marketplace. S. Bent was sold in 2000 to Industrial Renaissance, a spin-off of Kidd Kamm, the New York-based buy-out group.

In December 2000, Alcock acquired **Beckwood Services, Inc.**, a Plaistow, New Hampshire-based manufacturer of electronic controls for automated capital equipment and analytical instruments. Beckwood designs, assembles and tests electronic controls for international customers, including Siemens, Cookson Electronics, Trumpf, Bosch, and Ulvac Japan.





In addition to the companies acquired directly, Alcock has also acted as a financier, strategist, advisor, and turnaround consultant to many other companies, investors and financial institutions.

In 1999, Governor Cellucci appointed Alcock as a trustee of **Fitchburg State College**, where he has served as Chairman of the Administration and Finance (Audit) Committee. In May 2001, the trustees elected Alcock as Chairman of the Board of Trustees with a mandate to involve the board more actively in the governance of the College.

Alcock is a member of the **Association for Corporate Growth**, the **National Association of Corporate Directors** and the **Turnaround Management Association**. He has served as Vice President and Director of the Boston Chapter of the Association for Corporate Growth and a Director of the Greater Gardner Chamber of Commerce.

Alcock graduated from Northeastern University with a B.S. degree in Economics and Business and studied corporate finance at Northeastern's Graduate School of Business. He currently serves on the Northeastern University National Council. Alcock lives in Weston with his wife and two children.

## **Stephen S. Gray** **Managing Director, TRG**

Stephen Gray is the Founder and Managing Director of TRG. He has over 28 years experience developing and implementing crisis management plans for public and private companies, general creditors, secured parties, acquirers of non-performing companies and judicial bodies.

Prior to forming TRG, Gray was President of Gray and Company, a professional service firm specializing in turnaround and workout consulting. He also served as Vice President for Exeter Management Corp., a firm specializing in consulting for distressed businesses and as member of the Corporate Development Staff at Arthur D. Little. He holds a BS from George Washington University and a MS in mechanical engineering from Tufts University.

Gray has worked as turnaround consultant and crisis manager in a wide variety of industries, including health care, high technology, retail, distribution, financial services and a numerous manufacturing and process industries. He has performed operational and financial restructurings for hundreds of companies. He is a member of the American Bankruptcy Institute and the Turnaround Management Association.

Gray is also well known to the financial and legal communities for his work as a fiduciary. A member of the Chapter 7 Bankruptcy Trustees in the Massachusetts District, he has served as Chapter 11 trustee, Chapter 7 trustee, court appointed examiner and state court receiver in numerous situations in real estate, communications, retail, service, financial services, manufacturing and distribution. He has served in a fiduciary capacity for more than fifteen years, and his firm is experienced taking possession of assets, providing for operational security and continuity, financial management and the pursuit of assets that may have disappeared from the debtor's estate.

Recent presentations include:

TMA Advanced Education Workshop (Boston College), June 20, 2002:

"New Business Problems Require New Expertise: The Changing Nature of Chapter 11 Reorganizations and the Role of Professionals and Advisors"





ABI Ninth Annual Northeast Bankruptcy Conference, July 11-14, 2002:  
"Valuation as a Cram Down Tool"

## **Michael A. Policano**

### **Co-Head, FTI Policano & Manzo**

Mike is a Co-Head of the Restructuring Group of FTI Consulting (NYSE). FTI's Restructuring Group has 400 professionals who specialize in providing financial restructuring advisory services and investigative services to the workout and bankruptcy community, including creditors, debtors, equity holders and third-party purchasers.

Mike graduated with honors from Villanova University with a BS in Accounting. He is a CPA and a Certified Insolvency & Reorganization Advisor. He is a founding director of the Association of Insolvency & Restructuring Advisors and a member of the AICPA and the NJSCPA.

Mike started his career with Arthur Andersen where he was an audit manager specializing in the troubled company practice. Mike then spent six years with Zolfo, Cooper LLC, a nationally recognized accounting and consulting firm which specializes in advising financially troubled companies and their creditors. Mike co-founded Policano & Manzo LLC in 1990 which specialized in financial restructuring advisory services. Policano & Manzo was sold to FTI Consulting in 2000 and Mike continued as Co-Head of FTI/P&M. In August of 2002, FTI acquired the restructuring practice of PWC.

FTI Policano & Manzo had been retained in over 300 matters in the last 12 years including WorldCom, Arthur Andersen, Sunbeam, Polaroid, Adelphia, Enron.

Mike has spoken to various groups including the Turnaround Management Association, the Association of Insolvency and Reorganization Advisors, trade groups, the New Jersey Society of Certified Public Accountants, and insurance company and bank workout groups. He has also spoken at New York University, Villanova University, University of Wisconsin and the Harvard Business School. His topics have included "Pre-bankruptcy Planning", "Troubled LBOs", "PBGC Claims in Bankruptcy", "The Troubled-Company Process", "DIP Financing in the 1990's", "Buying Companies in Chapter 11", "The Hidden Costs of Bankruptcy", and "Managing in the Bankruptcy Environment".





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## **A note about our Platinum sponsor**

### **AlixPartners, LLC**

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AlixPartners, LLC is recognized internationally as the industry standard in solving complex corporate challenges, creating value and restoring corporate performance. The firm is a leader in providing results-focused services to help companies address and resolve a range of operational, financial, legal and transactional challenges. With a 22+ year track record of success, AlixPartners has a reputation for excellence in delivering analysis, strategy, implementation and results to its clients.

There are three key differentiators that make AlixPartners unique in its ability to help its clients “change the outcome”. First, our clients receive the dedicated attention of senior professionals. Second, we use small, experienced teams of professionals that work closely with client management and employees. Third, we align our success with the client’s success by tying a portion of our compensation to the results we achieve.

The firm has offices in Detroit, New York, Chicago, Dallas, Los Angeles, London, and Munich, Germany. It has been involved in dozens of billion-dollar turnaround and restructuring situations both nationally and internationally, as well as hundreds of assignments for middle market companies and their creditors. AlixPartners serves as financial and operational advisors to management and/or the board of directors, as interim managers to design and implement a turnaround strategy or guide a company through reorganization, as technology advisors to help companies align their IT function with their business strategy, and as forensic accountants, and valuation and litigation consultants. [www.alixpartners.com](http://www.alixpartners.com)

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## **A note about our Gold sponsor**

### **FTI Consulting, Inc.**

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FTI Consulting is a multidisciplinary consulting firm with leading practices in the areas of turnaround, bankruptcy and litigation-related consulting services. Modern corporations, as well as those who advise and invest in them, face growing challenges on every front. From a proliferation of “bet-the-company” litigation to increasingly complicated relationships with lenders and investors in an ever-changing global economy, U.S. companies are turning more and more to outside experts and consultants to meet these complex issues. FTI is dedicated to helping corporations, their advisors, lawyers, lenders and investors meet these challenges by providing a broad array of the highest quality professional practices from a single source. To find out more about FTI, please visit us at [www.fticonsulting.com](http://www.fticonsulting.com)

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## **A note about our Gold sponsor**

### **Huron Consulting Group**

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Huron Consulting Group is a 350-person business consulting organization created on the belief that our people are our greatest asset and that our clients deserve the very best in terms of effort, care, and intellectual capacity - delivered objectively.

Huron Consulting Group provides valuation, corporate finance, restructuring, and turnaround services to companies and lenders. It performs financial investigations, litigation analysis, expert testimony and forensic accounting for attorneys and it provides higher education and healthcare consulting, law department consulting and strategic sourcing consulting.

Huron Consulting Group was listed as one of the top turnaround firms in 2002 by Turnarounds & Workouts. The company is headquartered in Chicago, with additional offices in Boston, Charlotte, Houston, New York and San Francisco. To find out more about our company, please visit us at <http://www.huronconsultinggroup.com>





## **Don't Miss The HBS Turnaround Symposium Cocktail Reception in the Williams Room, Spangler at 6:45 PM**

Meet the panelists and other students interested in the turnaround space in the comfortable setting of the Williams Ball Room in Spangler. In addition to a wide variety of cheese snacks you will be able to enjoy great white and red wines and cold Sam Adams and Budweiser beer while making new contacts.

**The Turnaround Symposium is organized by:**

### **CHAIRS**

Maximilian Coqui; Alexandre Pham; David Santos

### **ORGANIZING EXECUTIVE COMMITTEE**

2<sup>nd</sup> Year – Andrey Dutov

1<sup>st</sup> years – Hervé P.E. Duteil; Mark J. Hafner; Joe Machado;  
Alejandro Marina; Andrew Medvedev; Annette Mueller; Su Lin Ong

