

## Richard Parsons

As a director, **Dick Parsons** is masterful at finding solutions.

Whether as an attorney turned director for the family behind **Estee Lauder**, or as a director and executive overseeing landmark mergers at **Citigroup** and **AOL Time Warner**—Parsons has made significant contributions.

A former counsel to then New York Governor **Nelson Rockefeller**, Parsons has a way of deftly sorting through the minutiae of muddy situations. Combine this with his charitable nature, and seemingly innate sense of how various businesses tick, and his Outstanding Director designation becomes clear.

"I couldn't speak more highly of Dick," says **Geoff Bible**, CEO of **Phillip Morris**, where Parsons was a director. "He has a great political sense, he's very personable and he's a fantastic businessman."

In a nod to Parsons' multifaceted competence, he was recently named co-chair of the president's new **Social Security Commission**. Also co-chaired

by former **Sen. Daniel Patrick Moynihan**, the commission is expected to produce a report later this fall. The appointment isn't Parsons' only government experience, however. After working with Rockefeller, he was a senior White House aide under **President Gerald Ford**.

But some of his most outstanding work was as a family lawyer to the Lauder family. "My mother, **Estee Lauder**, trusted Dick very much," says **Ronald Lauder**, a company director and chairman of **Estee Lauder International**. "She knew he understood all the facts and what could be done with the business."

Parsons' knowledge of the company and the financial markets in general helped guide Estee Lauder through perhaps its biggest transition. He convinced the Lauder's to take the company public. While reluctant at first, the family is happy with the decision, Lauder attests.

Over the past few decades, the growing number of Lauder family members wanted different things from the company and their careers, says Lauder. "Some family members were hesitant to go public. It was a very critical point for us. There were many unknowns."

But Lauder says the family trusted Parsons' advice. "He explained all the different aspects of going public and what it would mean to each family member's situation."

One of the challenges of keeping the firm private, says Parsons, was attempting to acquire liquidity for family members in a fair manner. "The benefit of going public was that individual family members could make their own wealth management decisions."

Not surprisingly, Parsons has transi-



### BORN

April 4, 1948.

### EDUCATION

B.A., University of Hawaii;  
J.D., Albany Law School.

### CAREER HISTORY

Currently co-COO at AOL Time Warner. Formerly President of Time Warner, and Chairman and CEO of Dime Bancorp.

### FAMILY

Wife Laura, 3 children.

### HOME

New York City.

### FAVORITE BOOK

*Simple Justice* by Richard Kluger.

### FAVORITE MOVIE

Matrix.

### FAVORITE MUSIC

Jazz.

### FAVORITE RESTAURANT

Bouley Bakery.

### I DON'T LEAVE HOME WITHOUT...

My cigar cutter.

### CURRENT BOARDS

AOL Time Warner, CitiGroup, Estee Lauder.

tioned to an excellent Lauder director. “The decisions a director has to make are very much about the facts, understanding the people and what has to be done,” says Lauder. “Dick not only knows the history of the company but all the people who’ve been involved. That’s rare for a director.”

As a Phillip Morris director, Parsons has been equally influential. He helped guide the corporation through a time of changing societal attitudes toward smoking. As a member of the company’s public affairs and social responsibility committee, Parsons is “always sensible,” says Phillip Morris’s Bible.

“He has a good understanding of what makes society tick and he knows that no company can survive unless it is in synch with society,” observes Bible. Parsons devoted the same energy toward helping the company reach its diversity targets and goals, he adds.

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—Geoff Bible, CEO, Phillip Morris

Parsons not only has good business sense—he’s also an especially hard worker. “First of all, to be a good director, you need to show up at meetings,” says Bible. “Dick’s great in that regard.” Parsons’ multiple committee memberships are testimony to his hands-on involvement.

At one time, he was on the Phillip

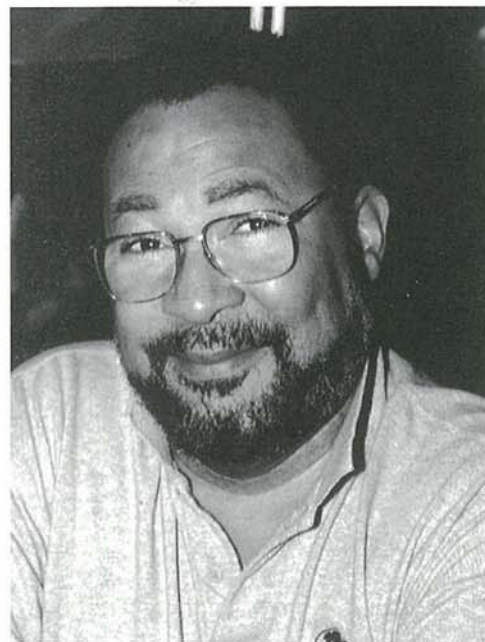
Morris executive, audit, compensation, public affairs and social responsibility committees. “That’s a pretty full agenda. There were only two or three board members who had that many at once,” says Bible.

Parsons says his law background has been a real help in certain boardroom situations, including company mergers. He was a **Citicorp** director during its combination with **Traveller’s**, and he was president of Time Warner when it joined AOL.

His training helped him think of ways to knit the new boards together. “I think what lawyers are trained to do is problem solve.” He acknowledges, however, that boardroom and top executive duties don’t always come naturally to attorneys. “I think the reason why many lawyers don’t make the transition to management is they are too focused on detail and are not necessarily good delegators.”

Delegating authority is nothing new to Parsons. Prior to his Time Warner presidency (1995–2000), he was chairman and CEO of **Dime Bancorp**, one of the country’s largest thrifts. Before that, he was managing partner of the New York law firm **Patterson, Belknap, Webb & Tyler**.

As a director, Parsons says one of his



greatest challenges was when he was with **Fannie Mae**. During the 1980s, the government-sponsored organization served as one of the few talent incubators for the growing mortgage-backed securities industry.

Late in the decade, the industry exploded on the Street. Parsons notes that a lot of Wall Street firms “would come along and steal our guys.” Chairman of the compensation committee, Parsons had to continually hone the company’s incentive and reward system.

Parsons also devotes considerable time to charitable causes. He’s chairman of the **Upper Manhattan Empowerment Zone Development Corporation**. He’s also been known to help out his wife, who is on the board of **Big Brothers/Big Sisters**.

Indeed, Parsons is frequently asked to attend charity events, as well as to rally the participation of others. He does so tirelessly in New York City and elsewhere. But he doesn’t enjoy the spotlight for its own sake. Says one director: “He’s a person who’s always able to put politics to one side and do what he thinks is right.”