

Rozanne Ridgway

Rozanne "Roz" Ridgway is known for her skillful maneuvers through problematic—and sometimes tense—negotiations. Her 32-year Foreign Service career includes ambassadorships to Finland and the then German Democratic Republic. That's one reason why Ridgway has been a driving force in settling particularly knotty situations on some of her corporate boards.

Currently chair of the DC-based **Baltic American Enterprise Fund**, Ridgway has been praised for helping the **3M** board make one of its toughest moves yet. In the mid 90s, she helped rally support for the company to spin off a large chunk of its underperforming assets.

Ridgway was not alone among 3M board members in her belief the company needed to spin off some assets. But "she was a strong voice, and she helped promote a board consensus that something had to be done," says **Frank Shrontz**, the former **Boeing** CEO and fellow 3M director. Eventually, the board reached agreement to spin off its data storage and imaging systems to form an indepen-

dent new company, **Imation**, in 1996. At the time, these businesses generated about \$2 billion of 3M's approximately \$14 billion in total revenue. The company also decided to phase out its audio and videotape businesses over the course of a year.

Major structural changes can be hard for any company, and especially for one like Maplewood, Minn.-based 3M. "3M is a hometown people business that's been a big part of the area for a long time," says Ridgway. This was an entirely new thing for the company." But, she says, "there comes a time when decisions have to be made, when evidence piles up, when things have to change and you can't sit on it any longer."

Judging by the results, it's probably a good thing that the board listened to Ridgway. In mid-1996, when the firm's board formally approved the changes, 3M's stock price was in the high 60s. Recently, it was hovering around 109.

"I've always been impressed with her strong independence," says Shrontz. "She does not shy away from challenges and takes strong positions when she thinks she is right. No question she has impeccable integrity and she also expects that of others." Shrontz was impressed enough to tap Ridgway to join the aircraft manufacturer's board.

On the diplomatic front, Ambassador Ridgway participated in all five summits between **President Ronald Reagan** and then Soviet **Premier Mikhail Gorbachev**. She assembled summit support teams, sat at the conference table and did most of the human rights-related negotiating with the Soviet Union.

In quite a different arena, she is also noted for her leadership as Ambassador-at-Large for Oceans and Fisheries Affairs (1975–1977). She



BORN

August 22, 1935; St. Paul, MN.

EDUCATION

B.A. Hamline University.

CAREER HISTORY

Former Ambassador to Finland and German Democratic Republic. Thirty-two years as a Foreign Service Officer.

FAMILY

Married to Capt. Theodore Deming (U.S. Coast Guard).

HOME

Arlington, VA.

FAVORITE BOOK

Truman, by David McCullough, and *Personal History* by Catherine Graham.

FAVORITE MOVIE

Now, Voyager.

FAVORITE MUSIC

Classical.

FAVORITE RESTAURANT

At home with husband.

I DON'T LEAVE HOME WITHOUT...

Toothbrush, alarm clock, sufficient reading material for the trip.

CURRENT BOARDS

3M, Boeing, Emerson, Sara Lee, the New Perspective Fund.

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—Frank Shrontz, Director, 3M

helped rewrite the entire body of fisheries laws after the U.S. declared dramatically new fishing zone regulations.

A career in government can be a real boon in the boardroom, says Ridgway. “There are interesting similarities at the top of government and the top of business,” she observes. “As board members work with me they see some of those similarities.” Working in government, people become extremely sensitive about their accountability to the public, she says. That means that in the boardroom, “you don’t need lessons on what it means to be accountable to shareholders because you’ve been so your entire career.”

A government career can also provide you with an almost instinctual sense of how things appear, she says. “At any time, you need to be ready to stand in a public forum and explain a situation.” The same holds true for the boardroom, where it’s necessary to clearly explain any number of corporate issues to regulators, shareholders or consumer groups, she says. “I can’t think of a better preparation than government.”

At least one director, however, says Ridgway’s keen business sense stands on its own. “From time to time she’ll make a point that is based on her experience in government,” says **Dick Thomas**, former chairman and CEO of **First Chicago NBD**, who served on the board of Sara Lee with Ridgway. “On regulatory issues I think most

people would say that Ridgway primarily has a good business sense. That does not necessarily relate to her government service.”

Directors also say she is exceptionally detail-oriented. Says Ridgway, “I think people have noticed that when someone makes the mistake, for example, of saying, ‘generally speaking,’ I will say what do you mean ‘generally speaking?’ The same goes for when

But Thomas says, “Her remarks always have substance. And she’s even-handed in that she can be both complimentary when compliments are due, and critical when criticism is appropriate. She’s always constructive.”

And, in a time of increasing globalization, Ridgway’s strong international experience certainly comes in handy. Many of Ridgway’s boards, both past and present, reflect highly international companies such as **Citicorp**, **RJR Nabisco** and **Union Carbide**. “I’ve lived with globalization for 40 years,” she says. “I know the the need to train people who work across cultures, and the need to be respectful of the characteristics of your local market and the people who are in it.”

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Roz and husband Ted on an evening boat trip in Stockholm.

someone uses the phrase “by and large,” she says. This kind of sensitivity to the small things, while perhaps good for shareholders, could run the risk of ruffling other directors’ feathers.

None of Ridgway’s colleagues question her no-nonsense ability to work across cultures—whether in government or corporate settings. They say she’s a business-like straight shooter with integrity to spare.