

Bay Area Black Directors Succession Project

Revised^{*}

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Table of Contents

Objectives.....	2
Major Findings	3
Other Findings.....	4
Representation of Black Corporate Directors on Bay Area Boards.....	5
Survey Results	6
Profile of Black Corporate Directors	7
Perspectives on Diversity & Access	8
Key Arguments for Diversity on Boards	8
Board Representation of Local Black CEO's.....	9
Call to Action.....	10
Appendices	11
Board Profiles for Leading Bay Area Companies*	12
Profile of Bay Area Black Directors of Major Companies	17
Listing of Leading Bay Area Companies with Black Directors	19
Profile of Bay Area Black Corporate Directors	19
Board Profiles of Black CEO's	20
Sample of Profiles for Bay Area Black Candidates	21
Black Corporate Director Candidates.....	23

Objectives

Reverse the current situation whereby qualified local Black director candidates are being overlooked in board succession planning in the Bay Area.

1. **Information Dissemination**

Sharing the lagging statistics on representation of Black directors on leading Bay Area public companies.

2. **Proactive Succession Planning**

Encouraging you in jump-starting succession planning, specifically regarding Black corporate directors.

3. **Outreach**

Asking your assistance in introducing the project to one fellow CEO/lead director and in fostering sustainability of the project.

Major Findings

1. Blacks are under-represented on leading Bay Area public company boards as compared with a national benchmark.
2. Bay Area Blacks comprise a significant pool of already qualified board candidates, defined as already serving on some board and/or as serving as a CEO of a significant company.
3. Based on interviews, Bay Area already qualified Black candidates are not currently being included in board succession planning pools for leading Bay Area public companies.

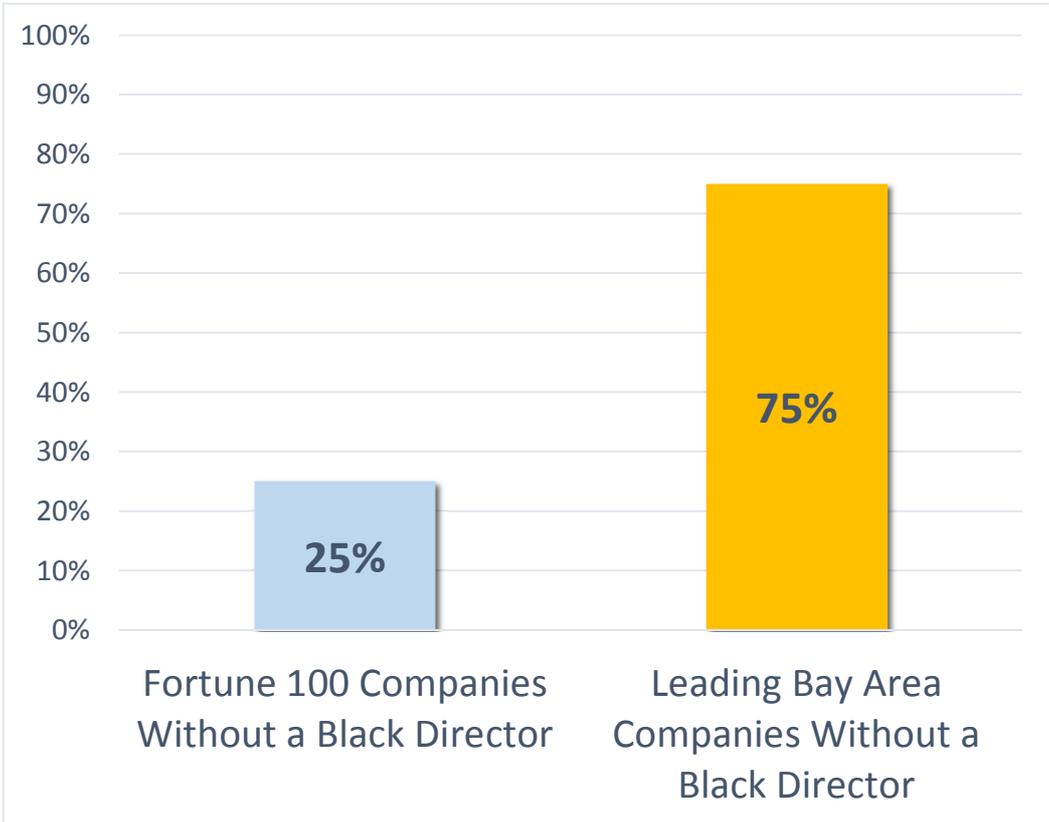
Other Findings

1. Bay Area Blacks have found more opportunity to serve on leading company boards outside as opposed to within the Bay Area.
2. Half of the Blacks serving on leading Bay Area company boards will age out in the next three to five years.
3. Local Black CEO's of significant companies have so far had very limited opportunity to serve on leading Bay Area public company boards.
4. Local qualified Black candidates have even greater under representation on leading Bay Area technology company boards, because of our perceived lack of "domain knowledge."
5. Local qualified Blacks have gained some board service foothold, via serving on smaller sized local company boards.

Representation of Black Corporate Directors on Bay Area Boards

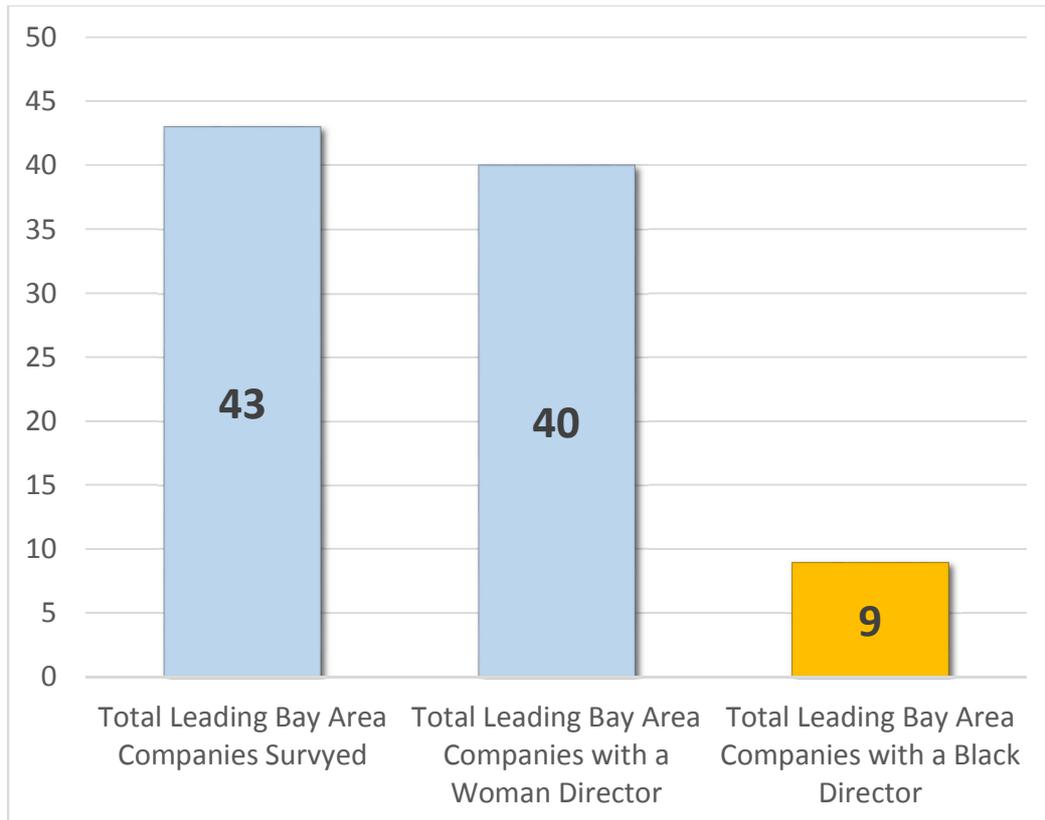
The Bay Area has a significant under representation of Black corporate directors.

- Only 25% of leading Bay Area predominantly public companies have a Black director, compared with 75% of the Fortune 100 companies (Russell Reynolds study).
- Blacks constitute only approximately 9% of the Fortune 100 companies.



Survey Results

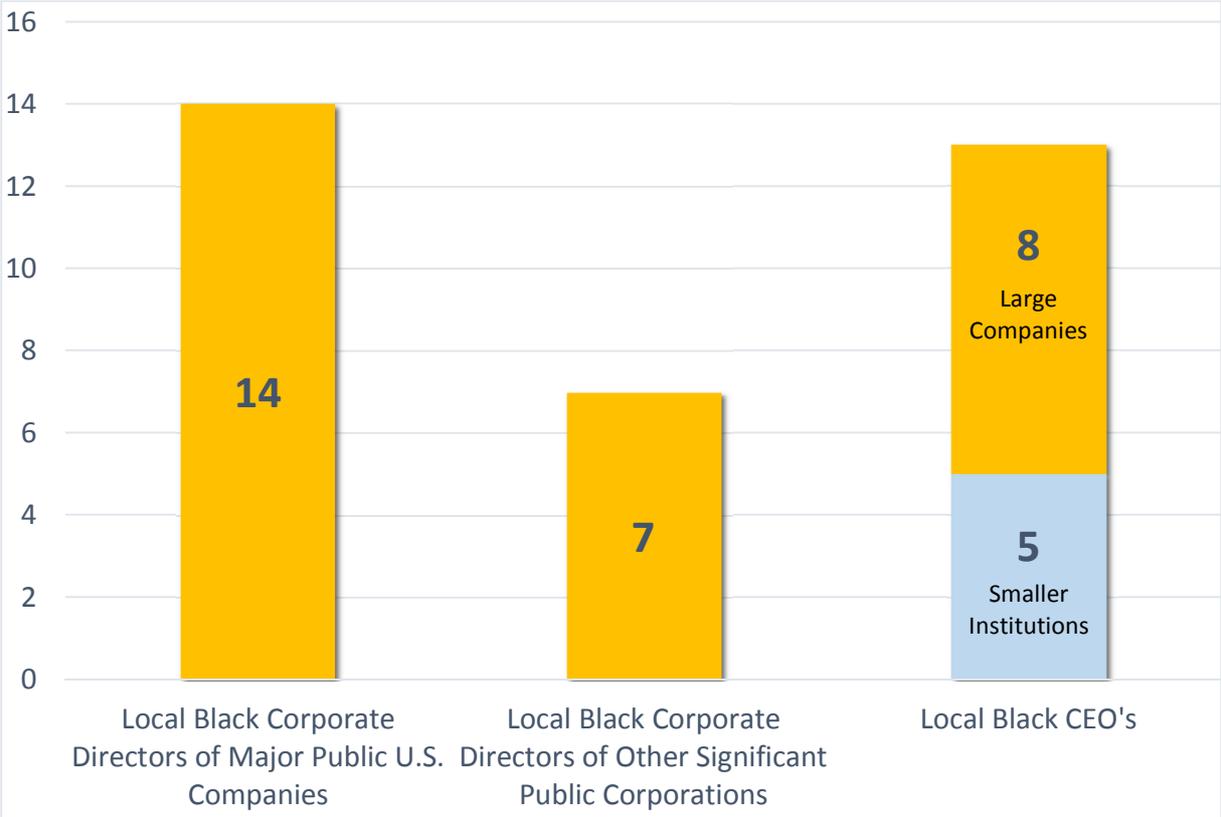
A recent survey of leading Bay Area company proxy statements shows the under representation of Black directors on corporate boards.



Note: The numbers decline with the inclusion of the next 10 companies that are mainly technology companies.

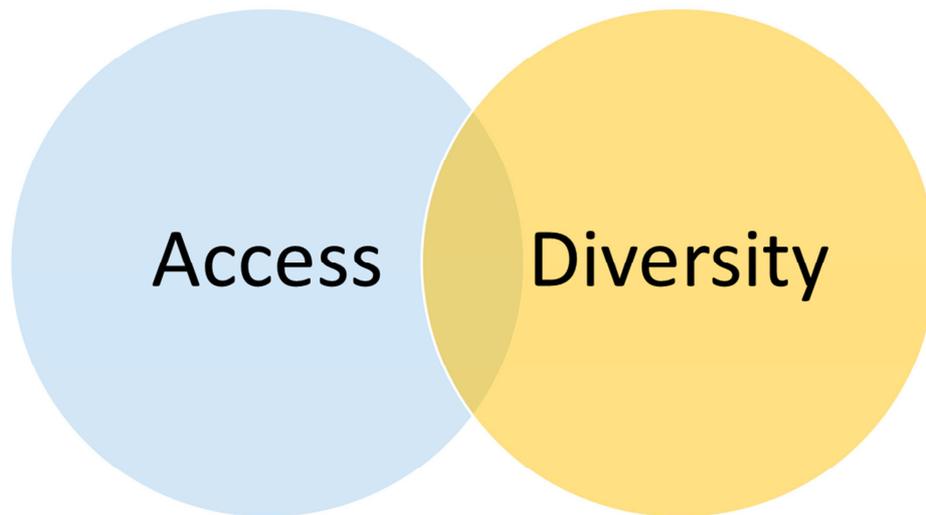
Profile of Black Corporate Directors

The Bay Area has a significant pool of high quality black corporate directors on significant corporate boards across the nation and an additional pool of board candidates already serving on smaller company boards or serving as CEO's



Perspectives on Diversity & Access

Significant efforts are required to broaden access to board positions by already qualified Black candidates.

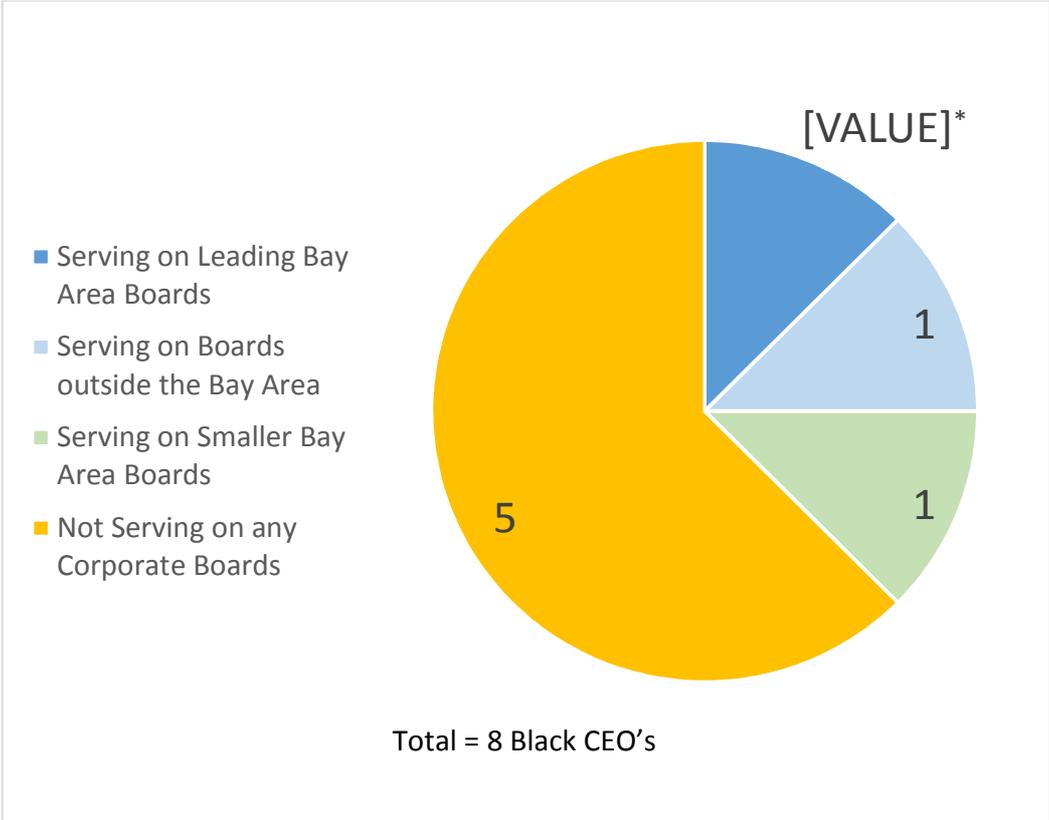


Key Arguments for Diversity on Boards

1. Increase the talent pool for selecting directors, thereby leading to higher quality boards.
2. Incorporate broader-based customer perspectives in marketing/strategic planning.
3. Signal corporate values to existing and future employees and customers.

Board Representation of Local Black CEO's

Local Black CEO's of significant companies have so far had very limited opportunity to serve on leading Bay Area public company boards.



* Revised to 2. Tony Coles was elected to the McKesson board.

Call to Action

- At least half of the eight to nine Black directors on the leading Bay Area company boards are reaching retirement age in the next three to five years.
- The Bay Area has a significant pool of already proven Black corporate directors and an additional pool of proven board ready candidates who are largely being overlooked in board succession planning.*
 - Bay Area has 14 existing Black corporate directors of U.S.-wide leading public companies, and
 - At least 20 additional corporate-board-ready candidates are located in the Bay Area. **
- The Bay Area has more Black CEO's than Black directors of leading public companies.
- Several Blacks who lead major search firm efforts for corporate boards could help expand the pool beyond the Bay Area:
 - Charles Tribbett (Russell Reynolds)
 - Dale Jones (Diversesearch)
 - John Gibbs
 - Dr. Curtis Crawford (XCEO)

* Identified by Barry Lawson Williams and other Bay-Area-based Black directors.

** Board-ready is defined as serving on boards other than the leading 43 companies in the Bay Area, or being a CEO.

Appendices

1. Board Profiles for Leading Bay Area Public Companies
2. Profile of Bay Area Black Directors on Major Boards
3. Listing of Leading Bay Area Companies with Black Directors
4. List of Black CEO's of Sizeable Bay Area Companies
5. List of Black Bay Area Board Pre Qualified Candidates
6. Summary Resumes of Black Bay Area Board Pre-qualified Candidates

Board Profiles for Leading Bay Area Companies*

Company	Number of Directors	Males - Caucasian	Women	Black	Other Minorities
PG&E	13	7	Barbara Rambo Maryellen Herringer	Barry Williams (68) David Andrews (70) ¹	Ro Parra Lewis Chew
Schwab	12	9	Nancy Bechtle (Paula Sneed)	Paula Sneed (64)	Arun Sarin
Intuit	9	7	Diane Greene Suzanne Nora Johnson	---	---
Applied Materials	11	10	Susan James		
Cisco	13	10	Dr. Kristina Johnson Carol Bartz		Arun Sarin
Agilent	9	5	Heidi Fields	Barry Rand (67)	Koh Boon Hwee Tadataka Yamada
Varian	10	8	Susan Bostrom		Venkatraman Thy-agarajan
salesforce.com	9	8	Shirley Young	Robin Washington ²	

¹ Deceased

² Added since May 2013 study

Company	Number of Directors	Males - Caucasian	Women	Black	Other Minorities
Chevron	13	10	Linnet Deily	Carl Ware (67)	Enrique Hernandez
Intel	11	8	Jane Shaw * Susan Decker Charlene Barshefsky		
Safeway	9	6	Janet Grove		Arun Sarin Mohan Gyani
McKesson	9	5	Christine Jacobs Marie Knowles Jane Shaw	Wayne Budd (70) Tony Coles ³	
Gap	10	6	Isabella Goren Katherine Tsang		Domenico de Sole Jorge Montoya
Levi Straus	10	7	Patricia Sales Pineda Vanessa Castagna		Fernando Aguirre
URS	9	8	(Lydia Kennard)	Lydia Kennard	
Williams-Sonoma	11	7	Laura Alber Rose Bravo Mary Casati Lorraine Twohill		
Zynga	8	7			Sunil Paul
Google	10	6	Diane Green Ann Mather Shirley Tilghman		Ray Shiriram

³ Added since May 2013 survey

Company	Number of Directors	Males - Caucasian	Women	Black	Other Minorities
Union Bank	<u>6</u>		Barbara Rambo Christine Garvey Aida Alvarez	Dave Andrews (R) ⁴	?
Clorox	9	5	Caroline Ticknor (Pamela Thomas Graham)	Dan Boggan Pamela Thomas Graham	Rogelio Rebolledo
Visa	11	6	Suzanne Nora Johnson Cathy Minehan Mary Cranston		David Pang Francisco Javier Fernandez-Carbajal
Blue Cross of CA	10	6	Sandra Hernandez Evelyn Dilsaver Vanessa Chang		Hector Flores Mohammad Qayoumi
Twitter	8	8			
Facebook	8	7	Sheryl Sanberg		
Oracle	12	10	Naomi Seligman Safa Catz		
Apple	8	7	Andrea Jung		
Wells Fargo	15	7	Elaine Chao Susan Engel Cynthia Milligan Judith Runstad Susan Swenson	Lloyd Dean (61)	Enrique Hernandez Federico Peña

⁴ Deceased

Company	Number of Directors	Males - Caucasian	Women	Black	Other Minorities
Hewlett Packard	11	6	Ann Livermore Meg Whitman Patricia Russo		Raji Gupta Shumeet Banerji
Yahoo	9	8	Susan James		
Ask.com	10	10			
Juniper Networks	10	7	Mary Cranston Mercedes Johnson		Pradeep Sindhu
Brocade	9	5	Judy Bruner	Lloyd Carney (CEO)	Sanjay Vaswani Renato DiPentima
AMD	13	9	Paulette Eberhart		3
Sandisk Corp.	9	6	Catherine Lego Judy Bruner		1
Net App Inc.	10	10			
Synnex	11	7	Andrea Zulberti		3
Ross Stores	7	6	Sharon Garrett		
Diamond Foods	9	8	Allison Davis		

Company	Number of Directors	Males - Caucasian	Women	Black	Other Minorities
Symantec	8	7	Geraldine Laybourne		
Autodesk	10	7	Lorris Norrington Mary McDowell		1
NetFlix	7	5	Leslie Kilgore Ann Mather		
Adobe Systems	12	9	Amy Banse Laura Desmond		1
eBay	11	9	Kathleen Mitic		Pierre Omidyar Tom Tierney
Franklin Resources	11	8	Anne Tatlock Laura Stein		1

* Estimated from published company profiles.

Profile of Bay Area Black Directors of Major Companies

Name*	Leading Bay Area Board	Leading Non-local Board	Other Bay Area Board
Archambeau		Verizon ⁵	
Andrews	PG&E (D) Union Bank (R)	James Campbell (D) James Hardie (D)	
Barnes		Principal Funds McClatchy Herbalife Frontier	Longs Drugs (R)
Boggan	Clorox	Payless Viad	
K. Coleman		City National	AAA Insurance
Coles	McKesson ⁶		
Crawford		ITT Corp. E I du Pont de Nemours	
Dean	Wells Fargo		
Green (R)		Williams Co. (R)	
Joyner			First Republic
Potter		Amazon (R)	
Shavers		RockwellCollins	
Wagner			Longs Drugs (R)
Washington	Salesforce.com ⁷	Honeywell	

⁵ Added since May 2013 survey

⁶ Added since May 2013 survey

⁷ Added since May 2013 survey

Name*	Leading Bay Area Board	Leading Non-local Board	Other Bay Area Board
White		Daymon Worldwide	
Williams	PG&E	SLM Sallie Mae CH2M Hill Northwestern Mutual Life	Simpson (R)

* Information on John Thompson not yet available.

(R) = Retired

(D) = Deceased

Listing of Leading Bay Area Companies with Black Directors

Bay-Area-based Blacks have had more opportunities on national and other corporate public boards versus the leading Bay Area company boards.

Bay Area Companies with Black Directors

Locally Based Blacks	Non-Locally Based Blacks
PG&E Clorox Wells Fargo Union Bank * McKesson ** Salesforce.com **	Agilent Chevron McKesson Schwab URS

Profile of Bay Area Black Corporate Directors

Bay Area Based Blacks on Major Corporate Boards 14	On Leading 30 Bay Area Company Boards 4	On Non-Local Major Company Boards 10 (plus 2 on local boards)
	On Smaller Area Company Boards 4	

* David Andrews retired, now deceased

** Added since May 2013 survey

Board Profiles of Black CEO's

Person	Company (CEO)	Leading Bay Area Board
James White	Jamba Juice	---
Dr. Tony Coles	Onyx Pharmaceuticals Inc.	McKesson**
Dr. Ernest Bates	American Shared Hospital Services	---
Lloyd Dean	Dignity Health	Wells Fargo
Lloyd Carney	Brocade Communications	---
Bernard Tyson	Kaiser Health	---
Lori Fouche	Fireman's Fund **	---
John Thompson	Symantec (R)	---
Emmett Carson	Silicon Valley Community Foundation	---
Alecia DeCoudreaux	Mills College	---
Arnold Grisham	Tri Valley Bank	---
Shellye Archambeau	Metric Stream Inc.	Verizon**
Dr. Curtis Crawford	XCEO	---

* Added since May 2013 study

** Now at Prudential

Sample of Profiles for Bay Area Black Candidates

Public Company, Etc. Board Experience

Name	Bay Area Located Black Corporate Directors	Black Directors of Smaller Corporations	Black Directors of Not-for-Profits	Black CEO's
Leroy Barnes	√			
Daniel Boggan	√			
Ken Coleman	√	(√)		
Dr. Curtis Crawford	√			
Bill Green	√*			
Myrtle Potter	√			
Anthony Wagner	√			
James White	√			(√)
Barry Lawson Williams	√	(√)		
Dr. Cheryl Shavers	√			
Dr. Tony Coles				√
Dr. Ernest Bates				√
Shellye Archambeau				√
Bernard Tyson				√
Lloyd Dean	√			√
David Andrews	√			
Emmett Carson			√	
Charles Collins			√	
Caretha Coleman		√		
Paula Collins		√		

Name	Bay Area Located Black Corporate Directors	Black Directors of Smaller Corporations	Black Directors of Not-for-Profits	Black CEO's
Humphrey Polanen		√		
Hilliard Terry		√		
John Thompson	√			√
Timothy Simon			√	
Alecia DeCoudreaux				√
Lori Dickerson Fouche				√
Arnold Grisham				√
Eric Kelley		√		
Joe Laymon	√			
Pam Joyner		√		
Robin Washington	√			
Lloyd Carney				√
Wright Lassiter				√

* Retired

Black Corporate Director Candidates

Public Company, Etc. Board Experience

Name	Major Company Boards	Others (including prior)
Dr. Ernest Bates		Johns Hopkins University (R) University of Rochester (R) High Speed Rail Authority (R)
Att. William Green	Williams Companies (R)	American Red Cross (R) United Way of America (R)
Hilliard Terry		Umpqua Holdings Oakland Museum of CA (R)
Bernard Tyson		Executive Leadership Council (Chair)
Dr. Cheryl Shavers (former Under Secretary of Commerce for Technology)	Rockwell Collins	American Heart Association Advanced Technology & Materials, Inc.
James White	Daymon Worldwide Inc. Jamba, Inc.	United Way
Anthony Wagner	Longs Drug Stores (R)	
Daniel Boggan	Clorox Co. Payless Viad Corp.	California Endowment Albion College
Caretha Coleman	Dignity Health (Chair)	Silicon Valley Community Foundation (R)
Paula Collins		Cal State Auto Assoc. and Insurance Bureau Presidio Bank Presidio Trust
Barry Williams	PG&E SLM Northwestern Mutual Life CH2M Hill Simpson Manufacturing (R)	Management Leadership for Tomorrow Resources Legacy Fund Sutter Health
David Andrews (D)	PG&E Union Bank (R)	James Campbell James Hardie Ind. Council on Foreign Relations (R)
Shellye Archambeau	Verizon *	Arbitron Silicon Valley Leadership Group (R)
Leroy Barnes	McClatchy Newspaper Co. Herbalife Ltd. Frontier Communications Longs Drug Stores (R) Principal Funds	California Endowment (R)
Humphrey Polanen		Heritage Bank of Commerce
Myrtle Potter (former COO)	Amazon (R) Express Scripts (R)	Everyday Health University of Chicago (R)

Genentech)		Proteus Digital Health
Charles Collins		National Urban League (R) S.F. Art Institute (R) Williams College (R)
Ken Coleman	City National Bank	AAA Insurance Mips Technology United Online
Dr. Anthony Coles	McKesson*	Campus Crest Communities, Inc. Laboratory Corp. of America Johns Hopkins
Dr. Curtis Crawford	ITT Corp. EI du Pont de Nemours	ON Semiconductor Xylem, Inc. Lyon Dell Petrochemical
Emmett Carson		Silicon Valley Community Foundation Carlson School of Management (Univ. of Minnesota)
Lori Fouchet		
Lloyd Dean	Wells Fargo	
John Thompson	TBD	
Timothy Simon		
Alecia DeCoudreaux	Citizens Gas (R) Indianapolis Life Ins. (R)	Wellesley College (R) United Way (R)
Arnold Grisham		De Paul University 12th District Federal Reserve Bank (R)
Eric Kelley	Overland Storage Inc.	
Joe Laymon	Molex (R)	DT Energy (R)
Robin Washington	Honeywell Salesforce.com*	Tektronix Inc. (R) Mips Technology (R)
Lloyd Carney	Brocade	
Pam Joyner	First Republic	California Healthcare Foundation Dartmouth College

* Added since May 2013 survey

R = Retired

D = Deceased