



205: When Does Diversity Influence Law Department Retention Decisions?

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Faculty Biographies

Clyde E. Bailey, Sr.

Clyde E. Bailey, Sr. is a patent counsel for Eastman Kodak Company of Rochester, New York. During his career he has prepared and prosecuted well over 500 patent applications world-wide in diverse technologies. In addition to his core patent responsibilities, Mr. Bailey has also provided litigation support in major patent infringement matters involving Eastman Kodak Company. He also was directly involved in the company's largest global divestment of business assets in 1994–1995.

Prior to Kodak, Mr. Bailey's law practice included intellectual property law, space commercialization law, and equal employment law for the National Aeronautics and Space Administration. He was also a congressional staff attorney in the office of Congressman Louis Stokes (Ohio). Mr. Bailey was also a senior engineer and physicist at Xerox Corporation, technical leader at General Electric Company, and an adjunct professor of mathematics, at Cuyahoga Community College in Cleveland.

Mr. Bailey is the incoming president of the National Bar Association and currently president of the National Inventors Hall of Fame Foundation board of directors. In these capacities, he has appeared on Capitol Hill to lobby for Foundation funding and matters of common concern to Association constituents. He was also recently involved in meetings at the White House with the President's counsel and at the Department of Justice with the deputy attorney general on matters related to Bar Associations of Color and their constituents. Further, he has been the principal leader in collaborative and capacity building initiatives with international leaders in southern Africa as well as with bar associations in Italy and South Africa.

Mr. Bailey received a BS and a MS in physics from Virginia State University, a MS in materials science from the University of Rochester, a JD from Cleveland State University; and a LL.M. in patent and trade regulation law from The George Washington University.

Madeleine A. Kleiner

Madeleine A. Kleiner is executive vice president and general counsel for Hilton Hotels Corporation. Hilton Hotels Corporation develops, owns, manages, or franchises approximately 2,000 hotels, resorts, and vacation ownership properties. Its portfolio includes many of the world's best known and most highly regarded hotel brands, including Hilton, Conrad, Doubletree, Embassy Suites Hotels, Hampton Inn, Hampton Inn & Suites, Hilton Garden Inn, Hilton Grand Vacations Company, and Homewood Suites by Hilton. Ms. Kleiner is responsible for overseeing the company's legal department and is a member of the executive committee.

Prior to this position, she served as senior executive vice president, chief administrative officer, and general counsel of H.F. Ahmanson & Company and its subsidiary, Home Savings of America. In such capacity she was responsible for overseeing the legal department, as well as human resources, legislative and government affairs, and corporate communications. Prior to this, She joined the Los Angeles law firm of Gibson, Dunn and Crutcher, where she was a partner. Upon graduation, she served as a law clerk to the Honorable William P. Gray, U.S. District Court for the Central District of California.

Among her many community activities, Ms. Kleiner has served as vice chair of the Client Relations Committee of the Los Angeles County Bar Association and assistant secretary to the Performing Arts Council of the Los Angeles Music Center. She has served on the board of directors of Public Counsel, a pro bono provider of legal services. She is a member of the UCLA Medical Center board of advisors. In 2003, Ms. Kleiner was named ACCA-SoCal Pro Bono Corporate Counsel of the year, and received the Corporate Legal Times/LexisNexis Distinguished Legal Service Award.

Ms. Kleiner received her bachelor's degree from Cornell University and her JD from Yale Law School.

Paula Taylor Whitfield
General Counsel, European Operations
Eli Lilly and Company



HILTON HOTELS CORPORATION

GUIDELINES FOR OUTSIDE COUNSEL

Thank you for agreeing to represent Hilton Hotels Corporation. These guidelines are intended to help ensure that your matter is handled as efficiently and effectively as possible. Because compliance with the guidelines is a requirement of your retention letter, we urge you to review them carefully and familiarize yourself – and others within your firm, as applicable – with their requirements.

We understand that your firm is, and will continue to be, an equal employment opportunity employer and that your firm will continue to actively recruit and promote women and minorities. We ask that you bring to our attention and consider for assignment to our matters women and minority employees or partners of your firm with appropriate experience for the particular matter. We also ask that you report to us annually the number of women and minority lawyers and partners in the firm and a calculation of the percentage of fees billed to us during the year that relate to services rendered by women and minorities, separately.



Greetings,

On behalf of the Hilton Hotels Corporation, we are contacting all our outside lawyers with two requests. Please take responsibility for responding on behalf of your firm to the first request below and for forwarding the second request below to all at your firm who work with us.

DIVERSITY

Hilton Hotels Corporation believes that its diverse workforce gives it a strategic advantage over its competitors who do not also embrace diversity. For the same reason, we are also committed to identification and retention of qualified women and minority attorneys in both minority and majority law firms. We are urging the firms who represent us to make a special effort in the recruitment, retention, and promotion of minority lawyers. We have asked our own lawyers to be more active in finding qualified minority lawyers who may wish to represent the Company. The Guidelines that govern our retention of your firm include the following:

We ask that you bring to our attention and consider for assignment to our matters women and minority employees or partners of your firm with appropriate experience for the particular matter. We also ask that you report to us annually the number of women and minority lawyers and partners in the firm and a calculation of the percentage of fees billed to us during the year that relate to services rendered by women and minorities, separately.

We now ask that you prepare to report to us with respect to fees for the 2001 calendar year, and that the results be reported to us before January 31, 2002. Please respond to Lori Frederick at lori_frederick@hilton.com or at the address below.

REDUNDANT PAPER COPIES

We regularly receive via U.S. mail a significant volume of redundant paper copies of emails and faxes from many firms who use this as a method of confirming that we absolutely, positively receive the information. We prefer not to receive redundant paper copies. In those instances where confirmation of receipt is desired, please use other means, such as the "return receipt" feature on many e-mail systems or ask us on the cover page to call to confirm receipt of faxes.

We appreciate your efforts in helping us to achieve our goals. Thank you, and Happy New Year!



DATE

TO

Re: Women/Minority Diversity Utilization

Dear _____:

At the end of last year we asked all our top law firms, including yours, to report to us regarding utilization of women and minority lawyers on Hilton matters. We were encouraged by the results, but we want to further increase our utilization of women and minority lawyers to better align with the demographic make up of our employees, customers and hotel owners.

We developed an initiative to reward the law firms that excel in diversity utilization by extending preferred status to them for new Hilton legal matters. For those firms that need to show improvement in diversity utilization in their work for us, we are asking for a formal plan of action. Pending our approval of the action plan, we will not send any new matters to these firms. We will continue to use firms that perform in the satisfactory category, but encourage them to take the initiative to improve their diversity utilization.

Your 2001 Performance

Your firm's performance is summarized below. The rating categories are: Outstanding, Satisfactory, and Needs Improvement.

Utilization of women lawyers:	Outstanding
Utilization of minority lawyers:	not separately reported
Overall performance:	Satisfactory

Your Results

Based on your performance, we ask that you implement systems to separately report minority attorney utilization for 2002 and future years. We will consider elevating you to preferred status at the end of this year based on your separately reported results.

* * * *

As a reminder, the Guidelines that govern our retention of your firm include the following:

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Hilton Hotels Corporation believes that its diverse workforce gives it a strategic advantage over its competitors who do not also embrace diversity. For the same reason, we are also committed to identification and retention of qualified women and minority attorneys in both minority and majority law firms. We urge you to make a special effort in the recruitment, retention, and promotion of minority lawyers. We have asked our own lawyers to be more active in finding qualified minority lawyers who may wish to represent the Company.

We appreciate the time and effort devoted to this effort, and we welcome any questions or comments you have regarding our diversity initiative.

Sincerely,



Greetings,

On behalf of the Hilton Hotels Corporation, we are contacting all our top outside lawyers to update our diversity utilization information. We last asked for this information 18 months ago, and we announced results of that effort a little over a year ago. We now want to see how our initiative is working. Please take responsibility for responding on behalf of your entire firm regardless of the number of your firm's offices in other cities we may use.

OUR DIVERSITY INITIATIVE

Hilton Hotels Corporation believes that its diverse workforce gives it a strategic advantage over its competitors who do not also embrace diversity. For the same reason, we are also committed to identification and retention of qualified women and minority attorneys in both minority and majority law firms. We are urging the firms who represent us to make a special effort in the recruitment, retention, and promotion of minority lawyers. We have asked our own lawyers to be more active in finding qualified minority lawyers who may wish to represent the Company. The Guidelines that govern our retention of your firm include the following:

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INFORMATION REQUEST

Please report to us before July 31, 2003 demographical information with respect to attorney fees billed to us for the 12 calendar months ended June 30, 2003. Please use the format of the attached spreadsheet (or any format more convenient for you that conveys the same information):

	Partners				Associates				Total
	Minority Male	Minority Female	Non-Minority Female	Non-Minority Male	Minority Male	Minority Female	Non-Minority Female	Non-Minority Male	
\$									
%									100%

Diversity At Lilly

**Real People,
Doing Extraordinary Things**



Lilly's Business Strategy

Our Strategy:

- To outgrow all competitors through a constant stream of innovation
- Remain independent
- In the next decade, to become the fastest growing company in the industry

Key to Success:

- To draw out and use the great energies and talent of people by fostering a **fully engaged** workforce.

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Diversity Policy: Centered In Lilly Values

Excellence: The Company is committed to utilizing the diverse talents and energies of all employees.

Integrity: Employees must conduct all business activities with respect for people worldwide without regard to their differences or similarities.

Respect For People: Employees' behaviors must confirm their respect for one another.

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Our Differences and Similarities

Age	Lifestyle
Citizenship	National Origin
Culture	Personal Style
Economic Status	Physical/Mental Abilities
Education/Training	Race/Ethnicity/Color
Experience	Religion
Gender	Sexual Orientation
Job Level	Thoughts/Perspectives
Job Responsibilities	Veteran/Military Status

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Lilly Diversity Objectives

- Attract and Retain Top Talent
- Fully utilize the skills, creativity, and differing perspectives of a productive, energized workforce
- Operate from a global perspective
- Recognize and respond to a diverse customer base with diverse needs and expectations

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Diversity As A Competency

At Lilly, we know that diversity is a competency; a set of specific skills to be mastered.

To successfully foster a fully engaged workforce and an inclusive work environment, we need to:

- Understand other cultures and the impact that they may have on values, norms and behaviors.
- Be Mindful that our perspectives are not the **only** perspectives.
- Use these skills to enhance our contributions and to foster the contributions of others.

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How We Manage Diversity at Lilly

Mainstreaming: The concept of “mainstreaming” means that diversity goals are integrated into the strategy of every component of the company, and into the performance expectations of every employee.

Examples:

- **People KRA:** Every member of management is accountable for demonstrating specific inclusive behaviors.
- **Component-driven strategies:** Line areas develop specific diversity strategies to support business goals e.g., LRL Asian Diversity Initiative.
- **Staff Functions:** Diversity strategy is embedded in basic functions, e.g., recruiting area creates a strategy for recruiting a diverse workforce; staff area tracks the development and advancement of diverse work force and training areas include diversity training in their course offerings.

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The Best Diversity Strategies Include Both “Process” and “Practice”

• Diversity “Process”

- Examples: Succession planning processes; hiring, pipeline, and exit metrics; diversity “targets”; people KRA; early talent ID tool
- Objective: “Identify talent and improve diverse representation”
- Accountability for improving diversity representation

• Diversity “Practice”

- Examples: Multicultural learning opportunities (diversity dialogues, training at different levels, affinity groups, rich mentoring programs)
- Objective: “Develop diverse talent and improve work environment”
- Accountability for improving diversity competencies

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Diversity Is More Than "Inclusion"

"Diversity also means "excitement" and "energy." Creative-minded people enjoy a mix of influences. They want to hear different kinds of music and try different kinds of foods. They want to meet and socialize with people unlike themselves, to trade views and spar over issues."

The Rise of the Creative Class

--Richard Florida

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Affinity Groups

- Support Lilly values and business goals, including its commitment to foster an inclusive work environment
- Provide networking opportunities among employees with a common interest or culture
- Create learning opportunities for Lilly employees and/or management
- Specific initiatives might include:
 - Informal employee recruiting and orientation
 - Mentoring and leadership development
 - Fostering cultural awareness

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Lilly Diversity Affinity Groups

African-American Network

Chinese Culture Network

Deaf Employee Network

ELAAN (Eli Lilly Asian American Network)

GLEAM (Gay Lesbian Employees and More)

Lilly Ibero-American Culture Network

Lilly India Club

Women's Network

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