



007 - Inside Diversity: A Call to Action

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Senior Counsel

California Portland Cement Company

Jane Howard-Martin

Assistant General Counsel

Toyota Motor Sales, USA, Inc.

Roderick Palmore

Executive Vice President, General Counsel & Secretary

Sara Lee Corporation

Samuel Reeves

Vice President and Division General Counsel of Corporate affairs and Government Relations

Wal-Mart Stores, Inc.

Pamela Washington

Vice President, General Counsel, Assistant Secretary

Crystal Stairs, Inc.

Faculty Biographies

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Roderick Palmore

Roderick A. Palmore is executive vice president, general counsel and secretary of Sara Lee Corporation, in Downers Grove, Illinois. Palmore joined Sara Lee as deputy general counsel and shortly thereafter was made a vice president of the corporation. He was promoted to senior vice president, general counsel and secretary of Sara Lee Corporation. He was promoted to executive vice president. He is a member of the company's Senior Management Team, and he chairs Sara Lee's Global Business Practices Committee. He also has responsibility for the company's internal audit, special investigations, risk management, environment and safety functions.

Palmore previously was a partner with Sonnenschein Nath & Rosenthal in Chicago. He was a partner with Wildman, Harrold, Allen & Dixon, having joined that firm as an associate. His prior experience includes work as an Assistant United States Attorney in the Northern District of Illinois.

Palmore is a director of Nuveen Investments, Inc. He also is a member of the board of directors of the Chicago Board Options Exchange. He has served on the board of directors of the ACC, Chicago Bar Foundation, the Legal Assistance Foundation of Chicago, the Public Interest Law Initiative, Centers for New Horizons and United Way of Metropolitan Chicago. He also has served on the Chicago Bar Association's Board of Managers.

Palmore attended Yale University, where he received a B.A. Palmore received a J.D. from the University of Chicago Law School.

Samuel Reeves

Samuel M. Reeves is the vice president and division general counsel of corporate affairs and government relations Mr. Reeves joined Wal-Mart as a senior division counsel in the tort section of the legal department's litigation division. Sam was promoted to senior assistant general counsel responsible for the management of outside counsel. His responsibilities were expanded to include oversight of attorney recruiting and the legal department's diversity initiatives. He was promoted to his current position of vice-president, division general counsel corporate affairs and government relations.

Prior to joining Wal-Mart, Mr. Reeves practiced law in Bentonville, Arkansas for eleven years.

Mr. Reeves is a member of the ACC, ABA, Arkansas Bar Association, Minority Corporate Counsel Association, and In Legal Color – Advisory Board.

Mr. Reeves is a graduate of University of Arkansas with a B.A. and the University of Arkansas at Little Rock – School of law with a J.D.

Pamela Washington

Vice President, General Counsel, Assistant Secretary
Crystal Stairs, Inc.

ACCA and Diversity

What do we mean by Diversity?

For ACCA, Diversity refers to a series of values through which:

- o there is genuine respect for individual differences;
- o the inclusion of all is promoted;
- o the views of all are considered;
- o bias, indifference, and inequity are opposed; and
- o equal opportunity for all is provided.

Why is Diversity important to ACCA?

As a service organization, ACCA embraces diversity in order to successfully provide more meaningful and responsive services to an increasingly diverse corporate bar.

What is our mission statement in support of Diversity?

ACCA is committed to creating and maintaining a culture that supports and promotes diversity. In that regard, ACCA embraces and encourages diversity in all aspects of its administration, operations and programs. ACCA's commitment to diversity is clear through its significant commitment of resources to specific projects and activities that will:

- o increase the diversity of ACCA's leadership, membership and staff, and
- o encourage corporate law departments, corporations and law firms to embrace diversity.

On whom do we focus?

ACCA's primary focus in support of its diversity initiatives will be on women and racial and ethnic minorities; however, ACCA will also promote diversity in its most inclusive form.



September 11, 2006

Re: Call to Action Summit November 8, 2006

Dear Invitees:

Our Call to Action Summit is fast approaching! The Summit will take place on Wednesday, November 8, 2006, at the Marriott Marquis Hotel in New York City. We are very much looking forward to the opportunity to collaborate with you to improve law firm diversity.

Your planning team has been working diligently to ensure that the Summit will be a valuable use of your time and input. To that end, a few points to highlight:

1. A Summit agenda is attached for your review. You will see that the Summit starts promptly at 9 a.m. and concludes at 3 p.m. We have a full day of presentation and group discussion in between those times, so please plan accordingly with respect to other commitments. Also please note that the MCCA will be making arrangements for cocktails and a light dinner for us at the hotel the evening before the Summit.
2. We have secured an external facilitator, Claudia Saran, for the Summit. Claudia is a strategy consultant who has extensive experience helping senior leadership teams conduct *productive* off-site working sessions. She has worked in such a capacity for many years with Sara Lee, and we believe she will be a huge help in keeping us on track and capturing all our valuable input for use post-Summit.
3. There are 2 additional documents attached that we would like to you complete and return. One is a RSVP Form, and the other is the Summit Pre-Work. This Pre-Work consists of 5 very short but very important questions. *Whether or not you are able to attend the Summit*, please take the time to complete and return the Pre-Work. We would like to be in a position to share the Pre-Work feedback with all invitees, but can only do so if we have substantive comments from each of you.

Please complete and send the attached RSVP Form and Summit Pre-Work no later than **Friday, October 6th** to:

Claudia Saran
c/o Archstone Consulting
190 S. LaSalle Street, Suite 1050
Chicago, IL 60603

If you prefer to have and complete the Pre-Work electronically, please email Claudia at csaran@archstoneconsulting.com and she will send you a soft copy. If you have any questions on the Pre-Work, you can also reach Claudia at (312) 952-5550.

In addition, please be on the look-out for Summit "Pre-Read" material, which will consist of the Law Firm Diversity Survey we have discussed previously. This survey will be sent under separate cover to you by the end of this month. Please be sure to review it and bring your feedback to the Summit.

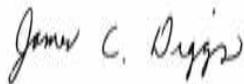
As we have mentioned previously, your input and participation on this effort has never been more necessary. If we are to make significant strides in law firm diversity, we need to proactively come together and bring our best thinking for the greater good. So we shall see you on November 8th!

If you have any questions on the Summit agenda or logistics in the interim, please do not hesitate to call either of us.

Yours very truly,



Roderick A. Palmore
Executive Vice President
General Counsel and Secretary
Sara Lee Corporation



James C. Diggs
Senior Vice President,
General Counsel and Secretary
PPG Industries, Inc.

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Call To Action Summit

November 8, 2006

Pre-Work

Please answer the following questions:

1. (a) Have you seen *any* change in the behavior of your primary law firms, with respect to the Call to Action, since November, 2004?

_____ Yes _____ No

(b) If you checked "Yes" above, please use the scale below to note how substantive the change has been (circle the representative number):

1 2 3 4 5 6 7 8 9
Minimal/Not Meaningful Substantive, But Not Optimal Optimal/Significant Strides

(c) Please describe the specific change(s) that you have observed:

2. Based on your experience:

(a) What challenges have you faced within your Legal organization in carrying out the Call to Action?

(b) What challenges have you faced with external parties/law firms in carrying out the Call to Action?

3. Please describe any specific actions or events that have taken place that you believe have been very effective in helping you carry out the Call to Action.

Call To Action Summit

November 8, 2006
Pre-Work

4. What are the next steps you/your organization are considering to further drive the Call to Action?

5. Please describe what you believe to be the ideal outcomes of our Call to Action Summit on November 8th, 2006.

**Thank you again for completing this pre-work.
Please complete and mail back by 10/6/2006 to:**
Claudia Saran
c/o Archstone Consulting
190 S. LaSalle Street, Suite 1050
Chicago, IL 60603

AGENDA FOR CALL TO ACTION SUMMIT
NOVEMBER 8, 2006

9:00 a.m.	Welcoming Remarks - Introductions - Context Setting	Palmore & Diggs
	Review of Summit Objectives and agenda: <i>What do we hope to accomplish today?</i>	Facilitator
9:30 a.m.	Presentation of Current Challenges (from pre-work): <i>What are we facing?</i>	Facilitator
	Group Clarification & Discussion of Challenges	Group
	BREAK	
10:30 a.m.	Presentation of Best Practices/ Next Steps Under Consideration (from pre-work): <i>What has proven effective to date?</i>	Facilitator
	Group Clarification & Discussion of Best Practices/Next Steps Under Consideration	Group
	Connection of Challenges to Related Best Practices/Next Steps	Facilitator
12:00 p.m. (includes a working lunch)	Presentation of Feedback on Current Data Collection (from pre-work): <i>Should we have a common approach to data collection?</i>	Facilitator
	Group Discussion Regarding Revised Data Collection Process	Group
1:30 p.m.	Going Forward: Next Steps Discussion (for both individual organizations and the group): <i>What are you considering? What should we be considering?</i>	Facilitator
2:30 p.m.	Closing Comments	Palmore & Diggs
3:00 p.m.	Summit Closed	

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February 1, 2007

Dear _____:

The purpose of this letter is to formally communicate the status of your firm in Sara Lee's Preferred Partner program for 2006-2007. For 2006-2007 _____ has been designated as a "middle tier" firm. The firm has continued to improve its diversity performance since the 2003-2004 rating, and I commend you for that improvement. However, there remain areas of opportunity which I am hopeful the firm will address.

There are three tiers under our Preferred Partner program. The top tier is comprised of those firms which have performed better than their peers or otherwise positively distinguished themselves as to diversity. The firms in the top tier are designated as "Preferred Partners," and it is our intention to give the firms so designated more opportunities than they might have in the normal course to be considered for Sara Lee work, consistent with our business needs of course.

The middle tier is comprised of those firms whose diversity performance does not yet warrant the "Preferred Partner" designation but nevertheless reflects a significant focus on the topic coupled with at least median performance, along with factors which suggest the possibility of enhanced performance in the near term. Firms in this tier are expected to continue to improve their diversity performance.

The bottom tier is comprised of those firms whose diversity performance falls below the median. Firms which fall within the bottom tier must improve their performance within one year so as to warrant placement in the middle tier or risk losing their relationship with Sara Lee. Firms in the bottom tier should expect to receive less Sara Lee business than they have in the recent past.

_____ 's performance in the following areas is noteworthy:

- Minority lawyers have increased from ___ (___%) in 2003 to ___ (___%) of the total lawyers in 2005.
- Minority non-equity partners increased from ___ (___%) to ___ (___%).
- Minority associates have increased from ___% in 2003 to ___% in 2005.
- ___ Office Head is a minority.

Page 2
February 1, 2007

- ___ woman serves on the Executive Committee, ___ on the Management Committee, and ___ women are Practice Area leaders.

We view the following as areas of opportunity for the firm:

- Minority equity partners comprise only ___% of the total and the percentage of minority partners in total has remained relatively flat at ___%. Absolute numbers include ___ African-American, ___ Asian and ___ Hispanic partners.
- Women partners as a percent of total partners have remained flat.
- Women non-equity partners as a percent of total non-equity partners has decreased from ___% to ___%.
- Firm leadership includes no minorities on the Management or Executive Committee and no Practice Group heads.

Overall, the firm continues to show modest improvement and will remain a middle tier firm.

We value our relationship with your firm and hope to see continued improvement in your diversity performance. We also look forward to continuing to work with you.

Yours very truly,

Roderick A. Palmore

Attachment
cc: Brett Hart
Heidi Rudolph

Background - Attachment

_____ is currently ranked in the second tier of the Preferred Partner program.

The firm's current composition is as follows:

- ___ lawyers in total – ___ partners, ___ counsel/other, and ___ associates
- ___ women lawyers in total – ___ partners and ___ associates
- ___ minority lawyers in total – ___ partners and ___ associates
 - ___ African-American (___ partners/___ associates)
 - ___ Asian (___ partners/___ counsel/___ associates)
 - ___ Hispanic (___ partners/___ counsel/___ associates)

(Law Firm)	(Year)	(Year)	
Minority lawyers as a percent of total	%	%	
Minority partners as a percent of all partners	%	%	
Minority associates as a percent of all associates	%	%	
Women lawyers as a percent of total	%	%	
Women partners as a percent of all partners	%	%	
Women associates as a percent of all associates	%	%	
Summer associates			
	Minority	%	
	Women	%	

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April 17, 2006

Re: Preferred Partner Review

Dear _____,

I am writing to invite your firm to participate in our Preferred Partner review process. Participation in the Preferred Partner program is limited to a select group of law firms. Your firm's contributions to Sara Lee's success in achieving its business objectives set it apart as a valued member of our team and an obvious choice to participate in our Preferred Partner program review.

As you are no doubt aware, one of the law department's primary business objectives is to provide the highest quality legal services to our clients. We consider a diverse legal team, both internal and external, to be a fundamental element in meeting this objective. The Preferred Partner program not only ensures that Sara Lee's outside law firms share our commitment to diversity in principle, but that each firm also demonstrates consistent and measurable success in achieving diversity.

Please forward the following information on your firm to me by **May 15, 2006**:

- ❖ The total number of attorneys for the last three calendar years.
- ❖ The total number of minority and female attorneys for the last three calendar years.
- ❖ The total number of minority and female attorneys categorized by race for the last three calendar years.
- ❖ The total number of attorneys for the last three calendar years in the following positions: a) partner – if applicable, distinguish between equity and non-equity partners; b) of counsel; and c) associate.
- ❖ The total number of minority and female attorneys for the last three calendar years in the following positions: a) partner – if applicable, distinguish between equity and non-equity partners; b) of counsel; and c) associate.
- ❖ The total number of minority and female attorneys categorized by race for the last three calendar years in the following positions: a) partner – if applicable, distinguish between equity and non-equity partners; b) of counsel; and c) associate.
- ❖ The total number of partners promoted from the firm's associate ranks categorized by race and gender for the last five calendar years – if applicable, distinguish between equity and non-equity partners.
- ❖ The total number of lateral partners categorized by race and gender and year of hiring – if applicable, distinguish between equity and non-equity partners. However, if partners were added to your firm as the result of a merger, acquisition, etc., please do not designate those partners as laterals for purposes of this calculation.
- ❖ The total attrition rate for associates categorized by race and gender for the last five calendar years.

- ❖ The total attrition rate for partners categorized by race and gender for the last five calendar years – if applicable, distinguish between equity and non-equity partners.
- ❖ The total number of minority and female partners in positions of leadership (firm management committees, practice group heads, etc.) categorized by race – if applicable, distinguish between equity and non-equity partners. Also, provide a brief description of the responsibilities of each firm committee/management team identified.
- ❖ Identify the following for each summer associate class for the last three calendar years: a) total number of summer associates; b) total number of minority summer associates categorized by race; c) total number of female summer associates; and d) total number of summer associates offered full time employment categorized by race and gender.
- ❖ Identify the following for each minority and female attorney who billed time on a Sara Lee matter in the last three calendar years: a) the matter name; b) the number of hours billed on each matter; and c) whether the attorney received formal origination credit for fees associated with the matter. In addition, for each matter identified, provide the total number of hours billed by your firm and the total number of attorneys who billed time to the matter.

In addition, please provide your firm's NALP forms for the last three calendar years and report on any other developments such as new programs, initiatives and strategic plans for improving your firm's diversity. Limit all information provided to your firm's operations in the United States. We will contact you following receipt of your response to schedule a meeting to discuss your firm and the Preferred Partner program.

Thank you again for contributing to our team's success and for your efforts in responding to my request.

Cordially,

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Diversity & The Bar

Call to Action

Sara Lee's General Counsel: Making Diversity A Priority

By Melanie Lasoff Levs

For some committed general counsel, the standard talk about diversity is only a starting point. Recently, many corporate attorneys decided it was time to demand specific actions and results—with very real consequences.

In spring 2004, Sara Lee General Counsel Roderick Palmore created "A Call to Action: Diversity in the Legal Profession," a document reaffirming a commitment to diversity in the law profession and taking action to ensure that corporate legal departments and law firms increase the numbers of women and minority attorneys hired and retained. And if law firms don't, the document states, "We [the undersigned corporate legal department representatives] further intend to end or limit our relationships with firms whose performance consistently evidences a lack of meaningful interest in being diverse." (See the sidebar in this article for the complete text.)

Palmore wrote the Call to Action to build on a previous manifesto: former BellSouth General Counsel Charles Morgan's "Diversity in the Workplace: A Statement of Principle," written in 1999. "In that [document], signatories espoused an interest in diversity and the principle of diversity, which was a fabulous thing at the time," Palmore says. "But it struck me that not enough has happened. The progress of the profession—and more specifically the progress of large law firms—had stagnated."

The Call to Action takes the Statement of Principle a step further, Palmore adds. "Its purpose is to take the general principle of interest in advancing diversity and translate that into action, into a commitment to act on, to make decisions about retaining law firms based in part on the diversity performance of those law firms."

Discussion around the need for a Call to Action began in November 2003, when a group of general counsel gathered at the invitation of the Minority Corporate Counsel Association (MCCA®), and the Association of the Corporate Counsel (ACC). This forum, hosted by the two organizations at Howard University Law School for minority law students at DC area law schools, was an opportunity for general counsel to share lessons learned. In preparing for the event, the general counsel, many of whom met for the first time in connection with the Howard program, lamented that so little diversity progress has been made and that a jump start was needed. Thus, Palmore resolved to take the lead.

In creating the document, Palmore had one main objective: brevity. "I didn't want a long detailed document that talked about how to go about designing a program and that sort of thing," he explains. He focused on three major elements: the principle interest in diversity; law firms' diversity performance, especially hiring and retention; and the commitment to limiting or eliminating law firms that were not interested in diversity initiatives. After writing a first draft, Palmore circulated it to several colleagues who are equally committed to the cause—including those who attended the Howard program and attendees at a meeting of the Associations of General Counsel (AGC), held in spring 2004—and incorporated their comments into the final version.

"...we will need to reexamine those relationships where progress has not been achieved with a view of placing work elsewhere."

-Thomas L. Sager

By September 2004, Palmore began formally circulating the document to legal departments throughout the country. He contacted the American Bar Association, which offered to email the document to its extensive list of general counsel. The MCCA, the ACC, and the AGC also sent email blasts to their members about the Call to Action. As a result, Palmore received dozens of emails from general counsel, as well as faxes and letters, asking for their names to be put on the list of companies supporting the initiative.

In about a month, general counsel from 60 companies already had signed on, including Shell Oil (whose general counsel, Cathy Lamboley, was recently elected as the new chair of MCCA's board of directors), General Motors, Marriott, Dow Chemical, Aon, American Airlines, Merck, UPS, MCI, PepsiCo, and Sears. By November 2004, the boards of directors of both ACC and MCCA made a decision to formally endorse the Call to Action, and establish a web site designed to support the initiative, www.CLOCalltoAction.com.

"We need to use constructive and creative means to ensure that all of our firms make immediate and lasting advances in the area of diversity in the profession."
-Roderick Palmore

"It was what I was hoping for—I'm thrilled," Palmore says about the widespread support and number of companies who have signed onto the document. He says while he has not thought about an end date, "There probably should be one, but it's premature to put one on it. I'd like as many general counsel of big and small companies to sign up as would like to."

In 1992, DuPont led a similar initiative when it began using diversity as one of four criteria to determine which law firms and suppliers to hire, according to Thomas L. Sager, DuPont's vice president and assistant general counsel. Over a three-and-a-half-year period, the legal department interviewed hundreds of firms and suppliers "and chose those we felt were aligned or committed to the same vision we had in those four areas," Sager says. The department's other criteria included dedication to a long-term strategic relationship, alternative fee arrangements, and new uses of technology.

Once DuPont chose its law firms, the company helped them further their goals through initiatives such as minority job fairs, benchmark surveys, and incentives. In the first quarter of 1996, DuPont began with approximately 34 firms and four suppliers; today there are about 42 law firms and 10 suppliers who have promised to be active in those four areas, according to Sager. "We've been a player in this area for awhile," he says, adding that it was a no-brainer for a company like DuPont to support Palmore's document because a vast majority of employees there believe in the cause. "We were very much aware of Rick and his leadership and thought his vision was the right one and the appropriate one. There has been a lot of talk on the subject [of diversity] but advances have only been incremental for most [companies and law firms]."

Palmore's Call to Action has pushed DuPont to think about its own diversity programs in a new way, Sager explains. "We need to use constructive and creative means to ensure that all of our firms make immediate and lasting advances in the area of diversity in the profession. Failing that, we will need to re-examine those relationships where progress has not been achieved with a view of placing work elsewhere," he says, citing potential probationary measures with firms that do not comply with diversity benchmarks and placing more DuPont billing with minority-owned firms. "Through accountability," Sager adds, "you get results."

A diverse law firm working for a company's diverse legal department achieves those results, says Arnold Pinkston, general counsel of Eli Lilly and Co., who signed Palmore's Call to Action. "As a global corporation, we benefit tremendously from a broad spectrum of perspectives that can be achieved by having people from as widely diverse backgrounds as possible working with us," he says. "After all, we serve a global population. How can we hope to understand the needs and concerns of customers around the world without incorporating their views into the very fabric of our operations?"

Gary F. Kennedy, senior vice president and general counsel for American Airlines, Inc., agrees that a diverse workforce reflects its customers. "To position ourselves to receive the best ideas, the best resources, and the best people, it is essential that we include a mix of ideas and perspectives," he says. American Airlines has 88,000 employees spread over four continents.

In fact, Palmore's Call to Action complements a diversity program already in place at American Airlines, Kennedy explains. The company's Minority Corporate Counsel Program, started in 1995, focuses on diversity within majority firms, increasing the company's use of minority- and women-owned businesses, and participating in more community outreach in the minority legal community.

Palmore's document reiterates American Airlines' efforts, Kennedy adds. "While some of our firms have done a nice job of staffing women and minority lawyers on our matters, we have found that progress, particularly in the area of minority lawyers, has been slower than we would like to see," he says. "I thought it was essential that we also sign this letter to publicly reemphasize our continued interest and commitment to diversity."

Documents such as Palmore's are a step in the right direction, says Brian M. Nurse, senior legal counsel for PepsiCo Inc., which also signed the document. But, he cautions, "As with any other initiative, there needs to be full support and effort within the organization initially from senior management on down, followed by a continuing effort to demonstrate to law firms that it is imperative for them to distinguish themselves in the area of diversity in order to transact business with companies that view diversity as a way of life."

"The call on law firms to up their diversity efforts may not be effective unless it affects their bottom line and/or their client base."

-Nica Val-Hackett

At PepsiCo, diversity begins with a mindset, Nurse continues. "We want our workforce to reflect and represent our customers and the communities where we engage in business," he says. Signing the Call to Action ensures that the rest of the PepsiCo community understands that mindset. "The obvious extension to

that is having our vendors, suppliers, consultants, and advisors, including law firms, reflect and represent the same thing."

Nica Val-Hackett, counsel in the Aon law department, agrees. The company's general counsel Cameron Findlay also signed the Call to Action. "The call on law firms to up their diversity efforts may not be effective unless it affects their bottom line and/or their client base," she explains. "Therefore, if law firms are satisfying their clients' needs without having a diverse work force, the law firms will have little reason to be as responsive to a call to up their diversity efforts, unless their clients demand that they institute diversity and inclusion policies and/or programs." Like Nurse, Val-Hackett will be critically looking at law firms' response to the Call to Action to determine whether their diversity commitments are meaningful and sustainable over time.

Halliburton holds its law firms accountable and Palmore's Call to Action solidifies the message, says Susan M. Ponce, vice president and chief counsel, ESG International, Halliburton Law Department. Halliburton's general counsel, Bert Cornelison, learned of the document from Palmore during a meeting of the AGC, she says. What would the company like to see come from the document? "We would like to see our law firms view diversity not as a 'have to' or a challenge, but as an opportunity to change the way we all practice law for the better," Ponce says. "Lawyers can be seen as risk-averse, but diversity should be seen less as a risk and more as a tool to creating and maintaining a sophisticated legal practice."

International Paper also had a law firm diversity program in place when it signed onto Palmore's Call to Action. In 2001, the legal department established the Lighthouse Award, which rewards outside counsel who actively support the department's commitment to diversity. "The Lighthouse Award recognized outside counsel not only for routinely assigning women and minorities to International Paper matters, but also for assisting the department in achieving its diversity goals," says Nicole Walthour, senior counsel, litigation. "We will continue to recognize the efforts of such law firms by strengthening our relationship with them."

For the past two years, the International Paper legal department also has committed to assigning at least 20 percent of all new matters to diverse law firms or attorneys. "As a result of this commitment, we have had the opportunity to retain women and minority lawyers who had not previously worked on International Paper matters," Walthour continues. The company has strengthened long-standing relationships with minority-owned law firms as well. "The letter demonstrates to outside counsel that in-house legal departments view diversity as a key measure of their performance and expect that outside counsel will take an active role in creating meaningful opportunities for women and minorities."

Most companies that signed the Call to Action are sending a survey or letter to each of their law firms, requesting them to take diversity seriously, asking about their practices, and calling for changes if they are needed.

For example, Intel's legal and government affairs department is sending letters to its outside law firms to determine their stance on the diversity principles when handling Intel matters, says Rose Deggendorf, managing counsel for mergers and acquisitions.

"When we complete that survey process this quarter, we will look at the statistics in terms of how these firms are doing and then set targets for them to achieve in terms of overall firm numbers," she explains. The company will annually monitor the progress of those firms.

PepsiAmericas already belongs to organizations devoted to increasing diversity in the legal profession, explains Jason Brown, senior counsel. But when the company's vice president for legal, W. Scott Nehs, received the Call to Action from Palmore, "We made the commitment [and signed it] without hesitation," Brown says. "The Call to Action takes us to the next level by displaying our commitment to diversity as a determining factor in counsel selection," Brown says. The company further agrees with Palmore that the legal profession "has generally reached a plateau and must be encouraged to raise the bar," Brown continues. "Law firms consistently promote their devotion to 'exceptional client service.' We're sending the message that service to PepsiAmericas must include diversity as a top priority."

Brown hopes firms working with PepsiAmericas will take the message to heart. "The more companies that participate in this pledge, the greater the effect will be upon diversity in law firms across the country," Brown predicts. "We hope the Call to Action will be a catalyst for

change and ensure that the legal profession becomes a greater reflection of our global community."

That's why action is so important, explains Deborah Canty, associate counsel for IKON Office Solutions. Its general counsel, Don Liu, signed the document because, Canty says, "He had sensed that there's something that needed to be done beyond the original statement of 'We need to do something.' He had sensed that we needed to do more than just talk about making changes-we need to make changes."

"Those firms that survive that process are going to need to show us that, amongst other things, they have an inclusive pool of people engaged in our work and an inclusive pipeline of people engaged in their firm."
-Cornell Boggs

Every year, Liu sends a letter to the law firms that represent the company, asking about diversity statistics and emphasizing the need for diverse lawyers to work on IKON matters, she says. While Liu will continue that practice, Canty says she would like to see the Call to Action lead to more dialogue between companies and law firms, as well as a reevaluation of hiring standards and retention practices.

These steps are already underway at Tyco, says Cornell Boggs, vice president and general counsel for Tyco Plastics and Adhesives, one of the five operating segments of Tyco International, whose executive vice president and general counsel, Bill Lytton, signed Palmore's document. Like many other companies, Tyco also signed the Statement of Principles. Boggs calls that document "an outstanding launch to focus on diversity initiatives. It really presented the seeds to begin to facilitate conversations in this area. That was an excellent beginning."

But Palmore's document adds some measurable goals and information to guide both corporate legal departments and law firms to achievable results, Boggs says. Tyco, which recently hired a diversity vice president and created a diversity council, is requesting proposals from its firms, and has made clear that diversity is a factor. "Those firms that survive that process are going to need to show us that, amongst other things, they have an inclusive pool of people engaged in our work and an inclusive pipeline of people engaged in their firm," Boggs says. "If it's important to us, we hope it's important to them as well."

A Call to Action-Diversity in the Legal Profession

In 1999, the chief legal officers of about 500 major corporations signed a document entitled Diversity in the Workplace-A Statement of Principle. The Statement evidenced the commitment of the signatory corporations to diversity in the legal profession. In particular, it was intended to be a mandate for law firms to make immediate and sustained improvement in this area. Unfortunately, however, all objective assessments show that the collective efforts and gains of law firms in diversity have reached a disappointing plateau.

As Chief Legal Officers, we hereby reaffirm our commitment to diversity in the legal profession. Our action is based on the need to enhance opportunity in the legal profession and our recognition that the legal and business interests of our clients require legal representation that reflects the diversity of our employees, customers and the communities where we do business. In furtherance of this renewed commitment, this is intended to be a Call to Action for the profession generally and in particular for our law departments and for the law firms with which our companies do business.

In an effort to realize a truly diverse profession and to promote diversity in law firms, we commit to taking action consistent with the referenced Statement. To that end, in addition to our abiding commitment to diversity in our own departments, we pledge that we will make decisions regarding which law firms represent our companies based in significant part on the diversity performance of the firms. We intend to look for opportunities for firms we regularly use which positively distinguish themselves in this area. We further intend to end or limit our relationships with firms whose performance consistently evidences a lack of meaningful interest in being diverse.

To Palmore, having the quick support and commitment from his fellow legal department representatives has been crucial. The next steps for this initiative are still in the planning stages. "When I conceived of this," Palmore explains, "my notion was the good faith of my general counsel colleagues that once they made commitment, they'd honor it. At this stage, I want to focus on getting it out there and getting the commitments rather than leaping ahead and saying, 'We're going to test you in two years.' That seems a little heavy-handed."

Palmore does, however, have a sense of what he'd like to see come of the Call to Action. "We'll end up with a more diverse profession. That sounds a little simplistic but that's the objective," he says. And that objective is clear: "I would like to see law firms and law departments that look more diverse. I'd like to see more folks of color and women in leadership positions generally," he adds. "I'd like to see an environment in which everyone has an appropriate opportunity to let their talents flower."

Melanie Lasoff Levs is a freelance writer based in Atlanta, Ga.

A Call To Action-Signatory Responses of 72 Companies As of December 1, 2004

Company	Name	Company	Name
3M Center	Richard F. Ziegler	Limited Brands, Inc.	Douglas L. Williams
AAA Michigan	Richard White	Lockheed Martin Corporation	Frank H. Menaker, Jr.
Abbott Laboratories	Jose de Lasa	Marriott International, Inc.	Joseph Ryan
American Airlines	Gary F. Kennedy	MCI	Anastasia D. Kelly
Aon Corp.	D. Cameron Findlay	Merck & Co., Inc.	Kenneth C. Frazier
ArvinMeritor, Inc.	Vernon G. Baker, II	New York Life Insurance Company	Sheila Kearney Davidson
Avaya Inc.	Pamela F. Craven	Oracle	Dan Cooperman
BB&T Corporation	M. Patricia Oliver	P&G	James J. Johnson
Bear Stearns & Co., Inc.	Michael Solender	PepsiAmericas, Inc.	W. Scott Nehs
BJ's Wholesale Club, Inc.	Kellye L. Walker	PepsiCo, Inc.	David Andrews
Boeing	Douglas G. Bain	Pfizer	Jeffrey B. Kindler
Cardinal Health	Paul S. Williams	Pitney Bowes	Michele Mayes
Clear Channel Communications	Andrea Levin	PPG Industries	James C. Diggs
Computer Sciences Corporation	Hayward D. Fisk	Puget Energy, Inc.	Jennifer O'Connor
Del Monte Foods	James G. Potter	Qwest Communications International	Rich Baer

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As of December 1, 2004**

		Inc.	
Dover Corporation	Joseph W. Schmidt	Rick Engineering Company	Dennis Stryker
DuPont Company	Stacey J. Mobley	Sara Lee	Roderick Palmore
Dynegy Inc.	Carol Graebner	SBC Communications Inc.	James D. Ellis
Eli Lilly & Co.	Robert A. Armitage	Sears	Andrea Zopp
Federated Department Stores Inc.	Dennis J. Broderick	Shell Oil Company	Cathy Lamboley
Gap Inc.	Lauri Shanahan	Spherion Corporation	Lisa G. Iglesias
General Motors	Thomas Gottschalk	Starbucks Coffee Company	Paula E. Boggs
Goodyear	Tom Harvie	Starwood Hotels & Resorts	Kenneth S. SiegelWorldwide, Inc.
Halliburton Company	Bert Cornelson	The Dow Chemical Company	Richard L. Manetta
Harley-Davidson, Inc.	Gail Lione	The Finish Line, Inc.	Gary Cohen
Hewlett Packard	Ann Baskins	The TJX Companies, Inc.	Jay H. Meltzer
Honeywell	Peter M. Kreindler	The Williams Companies, Inc.	James J. Bender
IKON Office Solutions, Inc.	Don H. Liu	TIAA CREF	George W. Madison
Intel Corporation	Tom Dunlap	Tyco International Ltd.	William Lytton
International Paper	Maura A. Smith	Tyson Foods, Inc.	J. Alberto Gonzalez-Pita
ITT Industries	Vincent A. Maffeo	Union Pacific Corporation	J. Michael Hemmen
JM Service Center LLC	Caren Snead Williams	Unocal Corp.	Samuel H. Gillespie III
Johnson Controls, Inc.	Jerome D. Okarma	UPS	Allen E. Hill
Kellogg Company	Gary Pilnick	Viacom	Mark C. Morrill
KeyCorp	Paul N. Harris	Wal-Mart	Thomas Mars
		Well Choice, Inc.	Linda V. Tiano

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A CALL TO ACTION – DIVERSITY IN THE LEGAL PROFESSION

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