

CHAPTER VII.

The auditorium filled up quickly. Andy sat next to the two temps in the middle of the crowded room, several rows behind Jackie, the secretary, and Bruce Doolittle's gray mop. A line of chairs was neatly arranged for the company's dozen most senior executives. Casually dressed, they took their seats at the back of the podium, the company logo emblazoned on a large screen behind them. Presentation engineers tested the cameras and sound system. The company-wide meeting was to be broadcast live to all other global divisions. The stage was set for Telecommando's CEO, Thomas Vaughn.

Vaughn was in his mid-sixties and had been at the company's helm for as long as anyone could remember. He was the man that repositioned Telecommando from a laggard timecard manufacturer into an ambitious telecom supplier. Then came the mobile internet craze: Thomas Vaughn bet all of his chips on it. The gamble paid off and the red carpet rolled out for the visionary leader. Telecommando quickly became the world's most dominant mobile internet player and the CEO's balding head was flush with freshly planted hairs just in time for the hi-tech boom, as his face graced the cover of countless business publications.

The CEO wore a red polo shirt with the company logo and a small, wireless microphone – another Telecommando invention. Vaughn approached the podium, confidently faced the crowd, and said, “Would everyone please be kind enough to turn off your cellphones and handhelds? You can talk and type all you want when you get back to your desks. That's right folks, no one will lose their job in here.”

A collective sigh of relief was heard throughout the auditorium. The cameras started rolling and the CEO smiled. Thomas Vaughn knew how to work his troops. He liked to remind

people that if they had invested one thousand dollars in Telecommando's stock at the beginning of his reign, they would be millionaires by now. He was right, sort of. Two stock-splits and twenty-five years later, the investment would indeed be worthwhile, but people would have had to sell their shares at the all-time high to realize the gain. The CEO gently tapped on his shirt's wireless microphone and began the presentation.

"This is a truly special meeting," he said to the crowd. "Thanks to our technology *par excellence*, this event will be seen by all of our worldwide employees. Let me start by saying that Telecommando is misunderstood. We are at the beginning of a technological revolution, where the computer and the cellphone become one, but sometimes people get the wrong impression. The fact is that our mobile internet business grew fast, and now a few bad apples are dragging us down. Why? Folks, it's the Perfect Storm scenario. First, the dotcoms and internet companies collapsed. Then the brick and mortar telecoms crashed. Now it's hitting us, the mobile internet players. We lost money from Australia to Zimbabwe, but we're regrouping. For example, our finance group is diligently implementing a new database called the Telecommando Knowledge Optimizer, Project TKO, which will give our franchise the market visibility we so badly need."

The two temps were delighted and exchanged aerial gunfire.

Thomas Vaughn nodded to the presentation crew and the letters TCMN appeared alongside the number 7.45 on the large screen. It was hard to believe that about a year and a half ago Telecommando's stock stood at an all-time high of 252 dollars and change.

"It's the Perfect Storm scenario that has put a *For Sale* sign on our company's stock," continued the CEO. "We opened lower this morning, which tells me that the market is buying us on the dips. Ah, what a great entry opportunity for our investors and employees! You must be

excited! The most important thing about a stock is its price, and TCMN is tremendously undervalued at the moment. That's right! I'm buying our cheap shares right now, because TCMN will edge higher from here. This great deal, however, won't last forever. Telecommando will grow, grow, grow, very, very, fast. Tell your family and friends about us; adjust your portfolios! My choice is clear: I am buying TCMN because I want my kids to go to Harvard!"

The room buzzed in agreement.

"People ask me all the time where this mobile internet will go in the future. What they don't realize is that it will go where we, the employees, take it! We promise you the internet, in the palm of your hand wherever you are – Telecommando forever! The mobile internet that we are building is here to stay!"

The employees were excited. Some even clapped their hands.

The CEO grinned, he was energetic on the stage and covered a lot of ground. His pace, however, eased, and he slowly raised his right hand.

"Folks, I have reached an important milestone for many senior executives – the mandatory retirement age of sixty-five. As I like to say, I was young and beautiful, and now I'm only beautiful. Yes, I am stepping down as chief executive."

The room stirred with surprise.

"But no, I will not enter full retirement just yet. I will remain as *chairman emeritus*, Honorary Chairman, with our distinguished board of directors. Our great company, our splendid institution, needs a young and energetic leader, a new visionary that will make us greater tomorrow than we are today. The man that will succeed me as company President and CEO is

my close friend, able colleague, and trusty neighbor. Ladies and gentlemen, please give Warren Stone, our current Chief Financial Officer and future CEO, a big round of applause!”

The room gave a standing ovation to the new man in charge. Warren Stone rose from his seat and acknowledged the great reception with a bow. He graciously walked over to Thomas Vaughn, embraced him, and both men smiled as they hoisted their hands in front of the cameras. Warren Stone wore a matching red polo shirt, but his had the Ferrari logo on it. The CEO-elect returned to his chair as Thomas Vaughn continued.

“Truth is that our current operations cannot support the headcount we have today,” he said to the silent auditorium. Only the humming of the air conditioner was audible. “Unfortunately, our company will have a staff reduction and we must let some good people go. Yet, we offer a fabulous termination package, and want to give the affected employees a soft landing. Besides, those of you that leave us need not look too hard for work – our business will turn around, we will sell more phones, and Telecommando will hire you back! Folks, our next quarter will be a better one!”

Thomas Vaughn’s triumphant speech, however, was interrupted by a loud and deep voice from the edge of the room.

“If business will pick up next quarter, how come we’re laying people off now?”

Everyone in the auditorium turned their heads and found that the voice belonged to Big Tim, whose frame barely fit into the chair in which he sat.

“Who said that?” asked Thomas Vaughn. As he searched the audience he did not realize that the wireless microphone fell from his red polo shirt.

“Why are all the engineers being paid to come up with things that nobody buys?” continued Big Tim.

“That’s bullshit!” roared an engineer seated near Big Tim. “The problem is not technology, it’s people like you in marketing!”

“Slash the ad budgets; word of mouth is best!” insisted another programmer in a heavy Indian accent.

“Aw, please,” waved Big Tim. “The engineers are the most expendable people out here – one day we’ll have supercomputers that do your job.”

A ruckus ensued. Chris Fernandez, another member of the marketing team, stood up.

“The problem is the sales organization!” he cried. “They’re the incompetent ones that can’t sell what we advertise!”

The sales people erupted.

“What’s the matter with you?” they screamed. “We should get rid of you marketing amateurs!”

Thomas Vaughn tried to restore order, but no one heard him—his microphone was on the floor. The presentation engineers scrambled for solutions, but were too far away to see what the problem was. Behind Vaughn the dozen high-ranking senior executives remained in their seats and looked on with nervous awe at the free-for-all.

Some employees almost came to blows. An accountant in the front row accidentally stepped on Thomas Vaughn’s microphone and shattered it. The presentation engineers had to duck as a coffee-filled plastic cup flew in their direction. In the middle of the room, Andy bowed his head and stuffed his ears. The two temps next to him were thoroughly enjoying the chaos around them, but the shouting made his headache worse. The cameras kept rolling, recording the drama inside the auditorium.