

The Southern California Chapter of the NACD hosted a Chairman's Spotlight Lunch event on Tuesday, February 16, 2016, at The California Club in downtown Los Angeles.

This was the third event that the Chapter has co-hosted with the National Investor Relations Institute (NIRI).

With more than 90 guests attending, this was one of the Chapter's two largest events in the last several years. The 75-minute meeting included approximately 25 minutes of Q&A from the audience.

Maggie Wilderotter, executive chairman of Frontier Communications (Frontier), was interviewed by Lorraine Segil, a member of Frontier's Board of Directors and the NACD So Cal board, in a fireside chat format. Following a prestigious career in the telecommunications and cable television industries, including her role as president and CEO of Wink Communications, Inc., Maggie ran the worldwide public sector for Microsoft. In 2004, she embraced the opportunity to turn around broadband provider Frontier, taking the helm as CEO and immediately embarking on a "listening tour" to meet with employees across the country. During Maggie's tenure, Frontier increased revenues to \$12 billion from \$750 million over 12 years. She also reshaped the company executive team, board and culture, emphasizing a customer-centric and local community based approach. Today, women comprise 50% of Frontier's executive team and 14% of the company's workforce are veterans.

Maggie emphasized the importance of CEO succession planning, which for many of her companies begins seven to eight years in advance. Just over a year ago, she seamlessly transitioned her role as CEO of Frontier to Executive Chairman and on April 1, 2016 will step down from that role after a successful transition year.

Remarkably, Maggie joined her first board at the age of 27 and has served on 28 public company boards to date, including P&G, Yahoo and Xerox. Maggie currently serves on the boards of Frontier, DreamWorks Animation, HPE, Costco and Juno Therapeutics. Most of the boards she serves on are now in the western US.

Key takeaways from Maggie were as follows:

- She transformed Frontier in a short period of time from a sleepy rural dial-up company to a leading broadband and internet provider. Upon joining Frontier, she immediately sold all four company jets and gave a raise to all employees who had not had one in the prior four years. Within her first year, she replaced 11 of 12 board members, whose average age was 75, and increased the diversity of the board. Maggie insisted on a US-only workforce, including staff at 23 call centers, and made hiring veterans a priority.
- Strategies that served Frontier well were a customer first approach and community involvement in all 350 communities that Frontier serves. The Company held on to that ethos even during the depths of the recession.
- Boards have two major responsibilities: (a) hiring & firing the CEO and (b) strategy. She noted the importance of succession planning and recommended companies be more transparent about their long-term strategy.

- “We all have to be activists,” she commented. How board members should behave and act is situational. As an example, when on the board of Yahoo, she alerted the board that Yahoo should be prepared for a hostile offer from Microsoft, prompting the CEO to “put a press release on the shelf.” A few months later, it did happen. This was followed by Carl Icahn taking three seats on Yahoo’s board.
- Commenting on her role as past Chairman of the President's National Security Telecommunications Advisory Committee (NSTAC), Maggie noted that that the U.S. infrastructure is highly vulnerable to cyber-attacks. She authored the bill, which is now a law, that allows corporations to share cyber-attack data without penalty. Other than the U.S. defense department, financial institutions have the best cyber defense. All companies and boards must be diligent in this matter.
- Her advice for success in business included:
 - Be there to “serve others”
 - Love people - interact with them wherever you can
 - Be yourself
 - Close doors the same way you open them