

Dick Parsons

A Tribute

As the New York and American Business Communities mourn the passing of Richard “Dick” Parsons, Feigen Advisors also mourns the loss of the Chairman of our firm’s Advisory Board, and our firm’s first friend. In our founding years, Dick provided invaluable seed capital: his good name. Dick introduced our young firm to the Fortune 250. He counseled all our clients, taking special interest in helping newly appointed CEOs. And he counseled me. Our thoughts and condolences are with Laura Parsons and their children and grandchildren.

Dick was not just calm under pressure, he grew calmer as pressure rose. His calm brought calm to others. His incisive mind brought clarity to the complex. His spoken word was magical, often with a convincing unexpected dimension. At 6’4”, most everyone looked up to him; with his James Earl Jones baritone, everyone listened to him. With his big and warm smile, the glint in his eye, and a fist bump, he was your friend.

His ideas and solutions nearly always struck a chord, a brilliance in mind and in presence that lit up the way.

Dick ran to the fire. Savings & Loan Crisis? Dick is chosen to run the Dime Savings and Loan. The largest failed merger in history? Dick is asked to be CEO of AOL Time Warner. The owner of the LA Clippers ridicules his players with ugly and racist remarks? The NBA calls Dick off the bench to lead the team.

But his greatest legacy was saving Citigroup from insolvency. “Marc,” Dick said to me in an elevator bank, “we have got just six weeks. And I don’t know if we can make it.” The White House had just asked Dick to become Chairman of Citigroup as the Financial crisis reached its gravest moment. Dick knew there were other leaders the President could have chosen with a deeper combination of financial, regulatory, or restructuring expertise to lead Citigroup. But President Obama chose wisely. By agreeing to lead Citigroup — failure of the \$3 trillion bank could have caused an economic depression — Dick’s selfless example bred selflessness, just as his calm bred calm. By force of will he got bankers and regulators to compromise. He replaced many of the Citigroup board of directors. He directed the work of the CEO. He set the goals, found common ground, and dismissed those who protected their own positions.

While at Law School, Dick finished second in the United States in the national Moot Court competition. That might have been the last time he came in second. The Dime was saved; Citigroup survived and grew again; he sold the Clippers to Steve Balmer. When the activist shareholder Carl Icahn held a news conference at the roof of the St Regis announcing his choice to replace Dick as CEO of Time Warner, a showy affair attended by hundreds (I was there), Dick later walked over to Icahn’s office to meet. “Carl,” he said. “Nice party. But you just don’t have the votes. I have the votes.” On another visit it happened to

be Carl's birthday, so Dick brought in a birthday cake. Carl discovered that Dick did have the votes. Carl made a deal and went away. (But Dick Parsons did sing him Happy Birthday.)

When I founded Feigen Advisors, I asked Dick to Chair our Advisory Board. He said, "come by my office", which I did, bringing our business plan. Low volume jazz played in the background; a large Bugs Bunny sat by his desk overlooking Central Park. He read our business plan. Putting it down and pointing to me he said, "Clint Eastwood." Pointing to himself he said, "Morgan Freeman." Pointing to the two of us he said, "Million Dollar Baby."

He met with all of our firm's clients, usually just before or just after they became CEO. "The CEO has only one natural predator," he would tell them. "The Board." He would charge our new CEOs with working towards their legacy from day one: "You have only two jobs as CEO," he would tell our firm's clients: "Leave your company in great shape and in good hands."

Dick told stories like Lincoln told stories. Here are a few:

- "One year my CFO said we could not sign the financial statements, which the CFO and CEO are required by law to do. I knew that if we did not sign, we would go bankrupt. And so, I signed."
- Invited to dine with Happy and David Rockefeller at their home on the Hudson River, Dick picked up the finger bowl and started to drink it. "I thought it was soup! We did not have finger bowls in the Bronx."
- As Chairman of Citigroup, he volunteered to tell Donald Trump that the bank was pulling his loans. "So, I walked over to see The Donald," (Dick liked to visit people in their offices, or ask people to "come by his office" – recalling a time when New York leaders would visit each other to show respect). "I told Trump we are pulling his loans. Trump said, 'you can't do that!' I said, 'I just did'."
- After his first day of work as CEO of Time Warner, he came home and asked his wife, "Well I have done that job now. I have nothing more to prove. Can I quit now?"
- He called Citigroup the "land of the perfect question." If you didn't phrase the question just right, you would not get the answer. When he asked in the crisis, "do we have collateralized debt obligations (CDOs)?" he was told, "No sir!." Only later did he learn that Citigroup had billions of dollars of leverage on another kind of subprime mortgage security, it just wasn't a CDO.

The moving obituaries about Dick capture his work as a CEO. But in his less visible Boardroom leadership at The Estee Lauder Companies Inc., Lazard, CBS, Citigroup and others he was often the director who resolved disagreement, perhaps with an especially logical insight, but as often by bringing people together. His hand was always raised up, whether to join or lead a special committee, or have a particularly tough face-to-face meeting. He worked the telephone between board sessions — as he would say, "leading not from the front – that's the CEO's job, but from the middle." (He published some

of his advice in the “Board’s Quiet Revolution,” a 2014 article in *The Harvard Business Review* we wrote together.)

Dick was reserved and even stoic about his illness, but when I suffered from Long Covid he knew when I was doing better and when I was not. He was genuinely pleased that I would get better, even as we both quietly knew the prognosis for him was not good. He talked a lot about his wife (“When Carl Icahn called me names,” I said, “Hold on Carl. Only my wife is allowed to say that!”) He had the proud Dad look when discussing his children, set up his daughter in a bookstore, and loved being a grandpa.

He had the best client list of any lawyer in New York, the world’s legal capital. Estee Lauder herself, David and Happy Rockefeller, Ronald Lauder, and Shari Redstone were among his many leading clients. His clients became his friends, and he stood by them. Shari texted me last evening about Dick, “He was so beyond amazing: special, intuitive, caring. He had it all. I never wanted anyone by my side more than Dick.”

When Ron Williams and I interviewed him for our research on CEO Retirement, here is Dick: “I counsel retiring CEOs to give back. As citizens, we owe back to our society. We have to support the platform. In America, so much of what makes things work is volunteer activity rather than government-directed or commercial activity. Being an overall good citizen is being engaged in civil society and helping manage the allocation of society’s bounty.” Dick mentored young people, and took a special interest in younger, aspiring black men and women.

He was Chairman of the Rockefeller Foundation, Chairman of the Apollo Theater, co-Chair of the Smithsonian National Museum of African American History and Culture, Chairman of the Jazz Foundation of America, a trustee of the Museum of Modern Art, Chair of The Partnership for New York City, a member of the board of the World Trade Center Memorial Foundation, and a member of the Commission of Presidential Debates.

He invested in Harlem, re-opening Minton’s, the historic Harlem jazz historic playhouse where bebop was created, and opened Cecil’s next door to Minton’s, serving African-inspired cuisine. One was lucky to get a table. He had a vineyard too and was generous giving away at Christmas prized vintage bottles of his well-regarded Il Palazzone, a Tuscan Brunello. Many urged him to run for Mayor of New York.

Dick Parsons deserved his surname. Widely generous with his impact and privately generous with his time, Dick achieved for himself what he told young people: “Be the one others admire.” He told stories not sermons, but those of us lucky enough to be mentored by him, although we knew we could never be like him, took inspiration from Dick to act with courage, learned when to confront, when to finesse, and always to think and speak with precision. Dick’s life and his work share the way to navigate life’s toughest terrain: with courage, with intelligence, with resolve, with balance, holding true to an ethical compass.

- Marc A. Feigen
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