

TRANSITION STRATEGIES, LLC

SUCCEED in ways you never thought possible

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Dear Clients and Friends:

First-hand experience with being laid off has created a heightened awareness in many employees of just how important it is to negotiate the best deal when going in to a new job, the time when you have your greatest leverage.

Right now, attention is hyper-focused on the topic of compensation, and what the ripple effects of government oversight into executive pay could eventually mean to the rest of us. At TSLLC, we are staying on top of these developments. You can read my interview on this topic, with the International

Association of Career & Professional Recruitment, posted on the TSLLC web site. Additionally, I will be the featured thought leader interviewed in the 8/31/09 Bulletproof Blog (www.bulletproofblog.com), again on the topic of executive compensation.

These venues enable us to give you more information that can help you in establishing your worth, and showing the value you can bring to any employer.

Creative negotiating approaches will win the day in today's economic climate. Careful strategic and tactical preparation go a long way towards creating "good luck" during hard times. We thank



you for each opportunity to be of service.

Best Regards,

Robin Bond, Esq.
Managing Partner

Words of Wisdom

*Never confuse a single defeat
with a final defeat.*

*"I will" is more important
than I.Q.*

*The big print giveth — but the
fine print taketh away*

*When you get to the end of the
rope, tie a knot and hang on.*

*Patience is also a form of
action.*

Our Mission:

We are agents for
executives and other
professionals.

~ ~ ~
We create
negotiating
strategies for your
success.

- ~ ~ ~
- ◆ Severance packages
 - ◆ New job offers
 - ◆ Employment agreements
 - ◆ Any career crisis

~ ~ ~
We make deals
happen.

Bailed-out Businesses to Receive Payout

The U.S. government continues to press to curb excessive compensation for businesses that have received government aid. Seven banks and companies that received bailouts had to submit compensation proposals to Treasury Pay Czar Kenneth Feinberg by August 13, 2009, with more proposals due Oct. 13. Feinberg will have the power to oversee the top 100 paid officials at these companies. His rulings on the pay plans are expected in about 60 days.

Although many would like to see certain executives of failed companies stripped of their bonuses, Feinberg cannot break contracts. However, he can push for companies and their employees to renegotiate payments. Should this plan not work, Treasury officials have hinted that Feinberg will consider factoring the amount of the bonus into the employee's overall pay. For example, an employee could then see cuts in base salary or future pay to make up for a contractually mandated bonus. TARP recipients, eager to avoid this level of regulation, can't repay TARP money fast enough (i.e. Goldman Sachs, JP Morgan Chase & Co.).

Tactics used for TARP recipients could well spread to other companies if taxpayer and legislative scrutiny persists. This could include use of "clawback" provisions to reclaim pay from executives, as well as realignment of pay and incentives to be based on performance delivered over time, with caps on any bonuses.

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LinkedIn — When You're Out

Many individuals use the social networking site LinkedIn to manage business and professional contacts. But what happens when the employee leaves the company — and the company demands ownership of the account? Does the account containing contacts remain with the employee, or with his or her former employer?

We are aware of no law on this yet. Although the database of contacts itself may belong to the employee, it could be argued depending on the facts, that the means to acquire the database was made possible only by using the firm's resources, such as the firm's computer, or its internet or network connections.

A contract lawyer would tell you to look at the LinkedIn User Agreement, pertinent provisions of which state: (1) you can only have one account, not one personal and one business; (2) you and only you own the account, and (3) you cannot transfer your account information to someone else.

So what should you do? At this time, we recommend you create a personal LinkedIn account and use it for your friends & contacts, without annotating any confidential employer information on it. If the employer wants you to input information into its database or system regarding prospects you met at company-paid functions, or that you obtained by using company equipment and on company time, do so.

If you are an employer, consider opening the LinkedIn account in your name, and provide the employee with the login information. This way, your ownership of that account's contents will be clearer to all concerned.

Trend: States Press for Employee-Friendly Leave Laws

Despite today's harsh economic climate for many businesses, some states are pressing to pass legislation that will require that employees receive additional time off for personal reasons. This growing trend is traced to more Democratic state lawmakers promoting employee-friendly leave laws to help offset the recession's effects on pay and benefits reductions.

For example, recently passed laws in Nevada and Colorado give unpaid time off for attending parent-teacher conferences, attending school meetings for disciplinary issues, and attending school athletic and other activities.

Since the passage of the Family Medical Leave Act (FMLA) in 1993, eight states have passed additional laws granting leave for child care and attending school events. California, Washington, and New Jersey have laws giving employees time off to care for family members.

The push for work-life balance is shifting towards the national stage. A bill has been introduced this year that would guarantee workers up to seven paid sick days per year. Currently, only San Francisco and Washington, D.C. require employers to give workers paid sick days.

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PA Mini-COBRA

Effective July 10, 2009, the Pennsylvania Mini-COBRA became law. This law requires businesses with fewer than twenty employees, & that sponsor group medical insurance, to offer up to nine months of continued, subsidized medical coverage upon a *qualifying* loss of medical coverage.

Employees enrolled in the employer's group medical plan for three months before a qualifying event may be eligible for PA Mini-COBRA subsidy benefits. The death of an employee, reduced hours, and termination of employment all are qualifying events. For more details, go to: <http://www.ins.state.pa.us/ins/cwp/view.asp?a=1274&Q=550035&PM=1>

The Pennsylvania Mini-COBRA is designed to work with the federal COBRA changes made in the American Reinvestment and Recovery Act (ARRA) signed earlier this year. A qualified beneficiary will pay only 35% of medical insurance premiums, and employers who provide the subsidy may seek a corresponding 65% premium assistance tax credit. The ARRA assistance program will expire at the end of 2009 unless it is funded again by the legislature.

Hot Topic: Sexual Orientation and Gender Identity

Effective July 2, 2009, Delaware has added sexual orientation as a class protected from discrimination in employment, housing, public works contracting, public accommodation and insurance.

There are now 22 states that provide employment protections on the basis of sexual orientation; 14 that also offer protections on the basis of gender identity.

Federally, the Employment Non-Discrimination Act was again introduced in Congress. If passed, it would extend employment discrimination protections to adverse decisions based upon an individual's actual or perceived sexual orientation or gender identity.

Minimum Wage Increased

On July 24, 2009, the federal minimum wage was increased from \$6.55/hour to \$7.25/hour.

The government sets the poverty level for a single person as earning \$10,830. Now a full time minimum-wage employee will see a \$1,500 increase in his yearly pay — to \$15,080 per year.