SPECIAL DEDICATION

In Memory Of...

This edition of the newsletter is dedicated to the memories of two wonderful spouses of HR executives who each passed away in the last few weeks: Valerie Butts, wife of Rich Butts; and Jeanette Barney, wife of Roger Barney – two awesome women who dedicated their lives to charity work and making our world a better place. We will always remember you and the impacts you made, and we send our love to your spouses.

LETTER FROM THE EDITOR:

The New War for Talent

Dear Friends:

The War For Talent of the late 90's is back, renamed The New War For Talent. This time the rules are a little different. In this war, you are tasked by someone—your new investors, the board, your CEO, yourself—to do quickly whatever it is you have to do, whether humanly possible or not, to get the right team in place to go out and hit some really high goals. These goals may seem reasonable and logical, like evaluating your entire leadership and management team, setting a three-year plan and drilled down goals, reevaluating all your compensation worldwide, and raising a new round of funding—all by August 1st and while flying back and forth to Europe to report to headquarters and do your day job here, which includes helping engineering to get their product releases done, but when you work backward from the deadline, you start to realize that they are entirely impossible to do with the team you have. You realize that as CEO, you would need to add a General Manager, a Project Manager, and a HR Consultant in order to have a chance. A CFO to do the fundraising wouldn't hurt.

So you look on Craigslist, and see no one good. You ask around, and leads are non-existent or they dry up. You try LinkedIn and get inundated with people you wouldn't hire. You get serious, and ask the contingency agencies who used to get you great people to work on it. You have high hopes, and then nothing happens. Everyone, even the knuckle draggers, is already working. You start to miss your deadlines, and have to waste time renegotiating your dates.

Welcome to The New War For Talent. You are not alone, although knowing that doesn't help. What would? Learning some new ways to recruit the talent you need and know whether or not the people who are doing your recruiting are doing every, single thing possible.

Over the next 12 months, you will be invited to presentations exploring different parts of The New War For Talent, giving you access to some of the best experts on critical aspects such as recruiting, evaluating, developing, and retaining executives and key employees. These presentations are being sponsored by well respected organizations including Vistage International, the world's largest CEO membership organization, L'Executive Club, the private group of French speaking CEOs, and Bay Area Human Resource Executive Council, the senior SHRM chapter in Silicon Valley.

This month, we'd like to thank Tom Perrault of Blue Shield for his referrals. Thanks, Tom!

Take care, Valerie PS: Be prepared to pay more. Comp for HR positions, for example, is going waaaay up right now.

ASK VALERIE:

Dear Valerie:

I'm Chairman of the Board of a venture-funded technology startup, and my background is financial, and the CEO's background is R&D. We need to hire a marketing person. I'm concerned that the marketing person won't perform well and will get away with blaming engineering or sales.

-Concerned and Open To Suggestions

Dear Concerned:

I've sent you over VF&Co's Hiring A Marketing Executive packet. Three of the main competency areas are: Understanding of the product and the product marketing life cycle; Experience with development of a "go-to-market" strategy, including execution; and assessment of strategy effectiveness using appropriate metrics; Ability to manage out-bound marketing strategy and initiatives (public relations, advertising, corporate branding and identity).

Dear Valerie:

I've been on the job for about one year, and really hate it. My boss won't let me have the exposure to the executive team that I'm used to, and doesn't involve me in strategy. Before coming here, I spent one year at a company I hate, and don't want to have another one-year stint on my resume. I don't want to switch jobs because I'm loyal. Previously I spent 14 years with one organization, and 12 years with another. Do you think I should stay here and make the best of it or move on?

-Loyal

Dear Loyal:

Stay and make the best of it. You're not a job hopper and should not ruin your longevity by becoming one. Learn what you can on the job, make the impact you can, and build out the rest of your life. This will probably be the best thing that could have happened to you because you'll develop more hobbies and friends than if you were in a higher impact job. This five or 10 year stint will set you up for more enjoyment and work/life balance long-term, and keep you congruent with your values.

SPECIAL EVENTS:

The New War for Talent: Competing For the Best in a Diminishing Pool June 27, 2006, 6-9pm, DLA Piper Rudnick Gray Cary, East Palo Alto, CA

Valerie Frederickson will lead Richard Carr, Vice Chairman of the Board of Vistage International; Rusty Rueff, CEO of SNOCAP; Kevin Scott, Partner of 3i Group; and George Anders, News Editor of The Wall Street Journal in a discussion on how to attract and retain your most important asset – your people. At l'Executive Club (French CEO group); sponsored by Vistage International, the world's largest CEO membership organization. This event is by invitation only and is only open to CEOs and C-Level Executives by the rules of L'Executive Club. For additional information, contact our Marketing & PR Team at mpr@vfandco.com.

The New War for Talent: Identifying, Developing and Retaining Stars During Boom Times

July 12, 2006, 7.30-9.30am, ABD Insurance, Redwood City, CA

Valerie Frederickson leads this quarterly panel of CEOs and Senior HR Executives, including Garry Ronco, SVPHR of JDS Uniphase; Marlene Muraco, Esq., Partner at Littler Mendelson; and others in a discussion on how CEOs and other senior executives can decode the strategic challenges to succession planning and leadership development and strengthen their ability to find the "keepers." Sponsored by VF&Co, ABD Insurance, and Littler Mendelson. For an invitation to this exclusive event, contact our Marketing & PR Team at mpr@vfandco.com.

Women's Leadership Exchange

Garden Breakfast

August 3, 2006, 7.30-9.30am, Menlo Park, CA

An exclusive, invitation-only event for women CEOs, Business Owners, and Venture Capitalists hosted at the home of Valerie Frederickson. Special guest: Ms. Phred Dvorak, Business Writer of *The Wall Street Journal*. For additional information, contact our Marketing & PR Team at mpr@vfandco.com.

Why Growth is Often "Sideways": Plotting Your HR Career Path in Biotech 2006 BIO HR Conference

October 3-4, 2006, The Venetian Resort, Las Vegas, NV

Careers in human resources are typically more of a "constellation" – in which you gain expertise in several different aspects of HR – than they are a pyramid to be climbed. How can you make sure that you are going up and you go sideways? Valerie Frederickson will lead a panel discussion with Lynn Lester, VPHR of Cambridge Antibody Technology; Larry McAlister, VPHR of Philips Medical Systems/ADAC Laboratories; and Marilee Moy, VPHR of Nikon Precision Inc. If you are a CEO, CFO, or HR Executive and would like to register as a guest, contact our Marketing & PR Team at mpr@vfandco.com.

CURRENT CONSULTING PROJECTS:

"People" issues keep CEOs up at night more than anything else. This section gives you a feel for current critical HR and management issues our clients are facing.

- Identifying critical behaviors needed depending on the corporate culture
- HR Strategic Planning for a school district
- Strategic Planning facilitation
- Management Development training
- Growing various startups
- Helping an executive team move forward with hiring a new person (comp, politics)
- Integration following some acquisitions
- Customized handbooks
- Deciding what type of #2 HR executive to bring into a global company
- Outsourced coaching/managing of HR senior staff

CURRENT SEARCHES:

HR Positions:

Vice President of Human Resources (Milpitas, CA)

Strategic human resources leader needed for a Milpitas-based semiconductor-manufacturing group owned by a leading value-add private equity technology investor. Best Practices, big company experience and executive team and board leadership. Preferred experience: recent executive-level generalist experience in the semiconductor or high-tech industries plus expertise in organizational development. Expertise in compensation, benefits, HRIS, talent acquisition, HR planning, performance management, and executive communications preferred. Email your resume in MS Word format to recruiting@vfandco.com.

Vice President of Executive Leadership and OD (So. CA)

Experienced, strategic leader needed to head OD and executive leadership programs for one of the world's largest and best-respected corporations. The ideal candidate will have an extensive background in executive communication, organizational strategy, change management, executive development and leadership, and the capacity to interface directly with the high-level executive team. In line for VPHR. 15+ years OD experience and a masters or doctorate degree recommended. Email your resume in MS Word format to recruiting@vfandco.com.

Leader of Human Resources and OD (Auburn, CA) (open again due to relo)

For a 100-employee US operational facility of a leading European biotech company. Reporting to the General Manager, the HR leader will partner with executive and management teams on OD, change management, compensation strategy, communications, and lead development, attraction and retention programs. HR systems and processes compliance with proven success working in complex and globally dispersed organizations. Mature, good communicator with excellent personal presentation, self-confidence, and high flexibility/client services focus who knows how to engage and can translate large company best practices to a more agile start-up environment. BS required, MSOD/HR preferred. Email your resume in MS Word format to recruiting@vfandco.com.

National Director of Diversity and Inclusion (CA or Midwest)

For a fast-growing, multi-national finance leader. The ideal candidate will create and implement strategies surrounding hiring and retention, culture, and international procedures, focusing on Recruitment; Vendors; and Markets. Experience in a Fortune 500, advanced degree in business or a related field, and knowledge of market diversity metrics preferred. Email your resume in MS Word format to recruiting@vfandco.com.

Senior Director of Human Resources, Customer Service Organization (Phoenix, AZ)

1700-person national sales and customer service division of an international organization. This person will have full-service executive supervision over all human resource programs and initiatives inside the group. Experience in global-company Best Practices, strategic compensation, and organizational development strategy preferred. Advanced degree in Human Resources or Sociology a plus. Email your resume in MS Word format to recruiting@vfandco.com.

Director of Human Resources/OD (Menlo Park, CA)

Creative and knowledgeable human resources professional needed to lead the HR function at a nationally recognized private school-group in Menlo Park with an excellent work environment and fabulous benefits. Strong candidates will possess experience in general HR management, strategic compensation and benefits structure, performance assessment, and organizational design. Background in education or similar fields is a plus. Email your resume in MS Word format to recruiting@vfandco.com.

Director/Senior Manager of Strategic Staffing (Southern CA)

Large, well-run organization seeks a high-level staffing manager or director to lead an experienced recruiting team, and interface with internal clients. This individual will work directly with the staffing director to develop strategic initiatives, analyze hiring metrics, and implement staffing programs. The staffing manager should be proactive and hard working, with an entrepreneurial focus. Email your resume in MS Word format to recruiting@vfandco.com.

Director of Compensation and HRIS (South San Francisco, CA)

Diversified pharmaceutical company looking for director-level compensation and HRIS, with large-company experience in pharmaceutical, finance, biotech industries. Must be adept at HR metrics and providing sound business rationale for compensation programs and strategies. Email your resume in MS Word format to recruiting@vfandco.com.

Global Compensation Director/Senior Manager (San Jose, CA)

For a major technology manufacturer with global operations, and a history of developing and promoting HR staff from within. Be an expert in global compensation, including base, variable, commissions, Expat/Inpat, global relocation and other key international issues. Email your resume in MS Word format to recruiting@vfandco.com.

Director of Human Resources/OD (Atherton, CA)

For a large private school organization. Run all HR including professional development, compliance, staffing, compensation, and communications. The best fit will be a small-team HR person, with both hands-on and strategic experience in a small to medium-sized organization. Email your resume in MS Word format to recruiting@vfandco.com.

Manager of HRIS (South San Francisco, CA)

Well-respected public pharmaceutical company needs Manager of HRIS due to growth. SAP HRIS and HR metrics expertise, managing a small team to meet multi-site international organization HR data needs. Email your resume in MS Word format to recruiting@vfandco.com.

Asia/International Compensation and Benefits Manager (Singapore)

Experienced international compensation and benefits manager needed for large high-tech manufacturing organization. The ideal candidate will have experience with Asia-specific compensation and benefits norms, including international total rewards packages; 8, 12, and 16 week pay plans; Expat and contract packages; and market per-diems. Email your resume in MS Word format to recruiting@vfandco.com.

Senior HR Business Partner (South San Francisco)

Large international pharmaceutical company needs a strategic senior HR business partner to work with a focused internal client group. The ideal candidate will have at least eight years of experience in human resource management including strategic planning, succession planning, performance management, change management, organizational development, and compensation. Email your resume in MS Word format to recruiting@vfandco.com.

Junior HR Business Partner (San Jose, CA) (one more needed)

Successful San Jose-based silicon chipmaker seeks an experienced HR Generalist to serve as a Business Partner for internal client groups. Responsibilities include partnering with internal client groups to provide strategic planning and other HR services, executive coaching, organizational development, and

liaising between upper-level management and the employee base. Best fit is someone who is high-powered, highly promotable, completely self-motivated, and creative. An OD training/career management background preferred. Email your resume in MS Word format to recruiting@vfandco.com.

HR Managers (San Mateo, CA) (2)

Fast-growing financial services company needs two HR manager/business partners (one higher, one lower-level) to assist the VPHR with strategic initiatives and day-to-day processes. Multi-site HR team including functional experts and site managers. The ideal candidate will have five to seven years experience as an HR generalist, with an interest in growing in a fast-paced environment. Email your resume in MS Word format to recruiting@vfandco.com.

Non-HR Positions:

Vice President of Marketing (Peninsula, CA)

Venture funded software analytics services company needs a full spectrum VP Marketing to handle everything, provide strategic value and hands-on work. Email your resume in MS Word format to recruiting@vfandco.com.

Controller (Huntington Beach, CA)

Help grow a well-funded early-stage technology company through its second round of funding and product development. Email your resume in MS Word format to recruiting@vfandco.com.

Engineering Project Manager (Fremont, CA)

Hot telecommunications software startup, well funded and well managed. Email your resume in MS Word format to recruiting@vfandco.com.

Engineering Manager (Huntington Beach, CA)

Manage both hands-on and strategic engineering initiatives at a strong growing HID engineering company. Email your resume in MS Word format to recruiting@vfandco.com.

HID Ballast Design Engineer (Huntington Beach, CA)

Hands-on and Computer-aided engineering of HID ballasts and other related implements in a growing environment. Experience in a similar electrical engineering role preferable. Email your resume in MS Word format to recruiting@vfandco.com.

Administrative Assistant (Huntington Beach, CA)

Energetic and smart administrative assistant/office manager need for fast-growing technology company in beautiful Huntington Beach. Email your resume in MS Word format to recruiting@vfandco.com.

CONTRACT POSITIONS (START IMMEDIATELY)

Benefits Manger/Specialist (Peninsula)

For five-month project. Email your resume in MS Word format to recruiting@vfandco.com.

Curriculum Developer/Instructional Designers (6) (San Francisco, CA)

Must have up-to-date software and web skills. Seven-month contract with financial services organization. Email your resume in MS Word format to recruiting@vfandco.com.

VF&CO INTERNAL POSITIONS:

Grow your career and have fun. Come work in beautiful downtown Menlo Park in what is arguably the best employment situation around. Enjoy a well-run small business with over 10 years of profitability, wonderful co-workers, a Who's Who list of clients, virtually unlimited opportunity, and over 50 stores, restaurants, dry cleaners, book stores, etc. all one block away. Help us take our successful business to the next level and have fun doing it! Best fit is a bright, well-read, well-educated, ethical person who enjoys collaborating but is self-motivated. Email your resume in MS Word format to recruiting@vfandco.com.

Retained Executive Search Practice Manager HR Contingency Placement Recruiter Marketing Communications/PR Specialist HR Sourcing/Research Specialist Junior Consultant