

After Serving Time, Executives Now Serve Up Advice

By CHRISTOPHER S. STEWART

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Corporate executives facing trials for misdeeds at work are grappling with the possibility of a long stretch in prison. But they can take comfort in the fact that business is booming for a few executives-turned-felons who have turned their stories into topics on the lecture circuit.

From a former finance executive to a lawyer who specialized in civil litigation, some white-collar criminals are getting paid several thousand dollars to talk about their crimes to business schools, professional associations and corporations.

"It's a powerful message," said Kellie McElhany, professor of corporate management at the Haas School of Business at the University of California, Berkeley. She has had Walter Pavlo, the former senior manager of collections at MCI who spent more than a year and a half in prison after he was convicted of wire fraud and money laundering, speak at the school's Center for Responsible Business.

"You actually get to see the consequences of poor ethical decision making," Professor McElhany said.

Gary Zeune, who runs [The Pros & The Cons](#), a speaker agency in Columbus, Ohio, that specializes in former white-collar criminals, says demand has increased about 30 percent in the last year, helped by the prominent trials of executives like Martha Stewart and L. Dennis Kozlowski, the former [Tyco](#) chief executive.

At the same time, a growing number of executives appear to be willing to talk about their misdeeds. Mr. Zeune gets phone calls, e-mail messages and letters almost every other week from former criminals, he said, more than double the number of requests he received two years

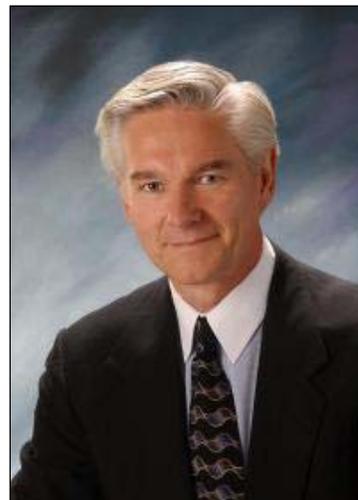
back. Speakers at his agency are paid \$1,000 to \$3,000.

But the phenomenon is unlikely to last, said Toby Bishop, president and chief executive of the Association of Certified Fraud Examiners, who has used convicted executives to conduct training and to lecture.

Corporate crime is "just a hot topic now," he said. "And in two or three years, if there are no more corporate scandals, it

will be replaced by something else."

But for now, white-collar criminals are in demand. Mr. Pavlo of MCI is one of Mr. Zeune's most popular speakers. Since his release in 2003, he has earned more than \$30,000.



Gary Zeune, CPA, Founder
The Pros & The Cons

In his speeches, Mr. Pavlo talks about how he devised a complicated accounting scheme with an outside partner that yielded \$6 million in stolen customer money in six months, and he describes what he was thinking at the time of the crime.



Walt Pavlo
Fraud Expert

This year, he says, he could earn \$150,000 to \$200,000, charging as much as \$5,000 for a speech.

Andrea Bonime-Blanc, senior vice president and chief ethics and compliance officer at the New York office of Bertelsmann Media Worldwide, hired Mr. Pavlo in March for a quarterly executive meeting she holds on the topic of ethics. While it was the first time she had hired a former convict, she said it went over very well.

Karen Bond, a lawyer in Ohio who served 38 months for interstate securities fraud, has talked widely in the media about Martha Stewart's conviction for lying about her sale of [ImClone Systems](#) stock. Her speaking run, however, may be short-lived. A spokesman for Ms. Bond, Somer Stephenson of Stephenson Consulting Group

in Califon, N.J., said she was no longer available, citing probation issues. Ms. Bond did not return repeated phone calls for comment.

Mark Morze was convicted in the late 1980's of stock fraud, wire fraud and tax evasion while an executive at the carpet cleaning company ZZZZ Best. After emerging from prison in 1994, he hit the speaker's circuit and says he has consistently made \$60,000 to \$80,000 a year. Mr. Morze is a regular at the Graziadio School of Business at Pepperdine University, where his message is deterrence.

The presence of corporate felons on the talk circuit has been reported by Crain's New York Business.

Public speaking is not a real option for most white-collar criminals, Mr. Zeune said. "You have to have a compelling story and take responsibility for what you did, which is something a lot of criminals won't do."

Even for the few who find speaking jobs, success can be elusive.

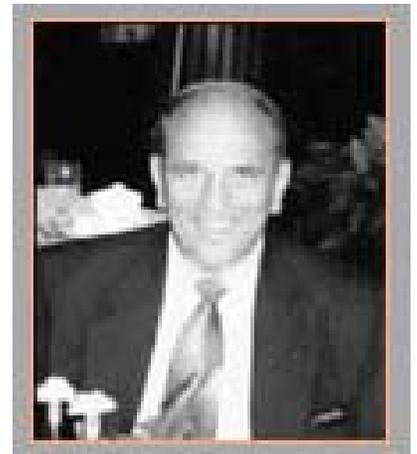
David London, who served 11 months for fraud committed while he was chief executive of the former [People's Bank of Unity](#) in Pennsylvania, worked as a clerk at a local medical center and did general labor for a film studio after he was released in 1998. Today, he is a speaker with Mr. Zeune's group, but he gives only a handful of lectures a year, making pocket money. He lives in the extra room of an old friend's house and, to make ends meet, he

works as a mortgage broker and officiates at college and high school sporting events.

"I can't get a decent job anymore," Mr. London, 61, said. "All my life was in banking, over 30 years. Even if I tried to get a night job at a hotel in auditing, I wouldn't be able to get it. "



Mark Morze



David London

All photos inserted
by Gary Zeune.