

**“The pendulum of economic power might well begin to shift from capital back to labor.”**

—Stephen S. Roach, chief global economist, Morgan Stanley, on global political shifts that could lead to increased workers’ pay and job security in 2007, as reported by Bloomberg

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## EXECUTIVE SEARCH

# Who’s On Board at Tyco

**AS HE COMPLETES** one of the largest corporate breakups in American history, **Tyco International** CEO Edward Breen (right) has been recruiting two entirely new boards. And *BusinessWeek* has learned that no fewer than 18 independent directors have signed up.

By April, Tyco, with a market valuation of \$61 billion, will have spun off two new companies—**Tyco Electronics** and **Tyco Healthcare**—to be run by Breen lieutenants Thomas Lynch and Richard Meelia. Breen will remain in charge of what’s left of the old conglomerate: the fire protection, security, and industrial valve businesses.

At Tyco Healthcare, the board recruits include Tadataka “Tachi” Yamada, president of the Bill & Melinda Gates Foundation Global Health Program. Among the directors at Tyco Electronics: Lawrence Smith, Comcast’s retiring co-CFO (and an architect of its acquisitions strategy) and management guru Ram Charan, who has advised the likes of General Electric and Verizon.

Dennis Carey, a partner at executive search firm Spencer Stuart, spent eight months helping Tyco evaluate 300 potential candidates. To fill the posts

of nonexecutive chairmen, Breen, with Tyco’s lead director John Krol, looked for people with both CEO and board experience, the better to guide Lynch and Meelia with their first CEO gigs. For the electronics unit, he chose **American Standard Companies’** CEO Frederic Poses; for health care, **Praxair** Chairman Dennis Reilly.

The other directors (including retired **Sprint Nextel** Chairman Timothy Donahue and **Waste Management** CEO David Steiner) have expertise in everything from HR to acquisitions. “Our health-care business will probably do some M&A activity down the road,” says Breen, as the electronics unit does some “pruning.” —Emily Thornton

For a complete list of the directors, see “Your Tyco Cast List,” at [www.businessweek.com/extras](http://www.businessweek.com/extras).



(TOP TO BOTTOM) GLYNIS SWEENEY; JONATHAN KNOWLES/TAXI/GETTY IMAGES



## THE BIG PICTURE

**MOST YOUNG** workers support the provision of the 2006 pension reform that makes it easier for companies to automatically enroll eligible new hires in defined contribution plans. Indeed, a recent survey shows many of these workers would be happy to hand over other pension decisions.

PERCENTAGE OF WORKERS 21 TO 30 YEARS OLD WHO WOULD BE “OPTIMISTIC” OR “GRATEFUL” ABOUT:

Automatic enrollment in the pension plan  
**66%**

An automatic minimum contribution amount  
**54%**

Automatic increases in contribution amounts  
**51%**

A spectrum of automatic features, including asset reallocation  
**57%**

Data: Prudential Retirement survey of 300 U.S. employees 21 to 30 years old, 2006