

Rumor Management Memo – Tom McInerney, CEO, Aetna Retirement Services

From 1996 to 1998, I was the communications director for Aetna's financial services division, serving under two leaders. The second leader, Tom McInerney, refocused the division on growing the asset accumulation businesses, and Aetna proceeded with the sale of its individual life businesses. Although prevented from discussing the deal, McInerney was committed to sharing information candidly with employees. As such, he could not remain silent while rumors about the deal swirled through the business and eroded morale. Notice how this e-mail note shares information while walking the fine line of public disclosure.

Subject: Media Speculation About ARS
Sent: February 02, 1998
To: All Aetna Retirement Services Employees
From: Tom McInerney

Over the weekend, an article appeared in the New York Times speculating that Aetna is considering selling ARS' individual life insurance business. The story has been repeated by The Wall Street Journal and other media, with certain variations and combinations of rumors, so I wanted to get out front with information to answer your questions and those you are sure to receive from agents, customers and colleagues.

As you know, speculation about selling all or part of ARS is nothing new. Because Aetna is continually looking at all of its businesses to ensure overall strategic alignment, rumors in the media are inevitable. In addition, my new management team, along with many ARS leaders, is carefully looking at our business strategy to determine where to focus our resources and our efforts to enhance customer service and shareholder value. Sometimes we even discuss options with outside parties, and this can generate rumors in the press. But every option we discuss will not become reality, and it would be irresponsible of us to openly discuss or confirm every option that might be considered, as this would leave the markets and our employees in constant turmoil.

As we position ARS for aggressive growth and greater success in the years to come, we will be making tough decisions about how to deliver top value, service and quality in the marketplace. That will mean taking a hard look at every aspect of our business, year after year.

As we engage in the lively debates that attend this process, you can be sure it will generate rumors, speculation and some uncertainty. All I can ask is that we remain focused on our 1998 goals, and continue to channel our energies into delivering on our promises to our customers, shareholders and colleagues.