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### *Companies Find Buyout Secrecy Can Cost*

By JONATHAN RABINOVITZ

GROTON, Conn., Oct. 20 - In 1990, six weeks after retiring from his job of 34 years, James F. Mullins picked up the morning newspaper and read that his former employer, Pfizer Inc., was offering a generous buyout package.

Leaving too soon had cost him \$39,000 - more than a year's pay. Yet it was not so much the lost money that bothered him as the way he had lost it. Only a few months earlier, he said, Pfizer officials had looked him straight in the eye and denied that a "voluntary severance option," better known as a "golden handshake," was in the works.

"I trusted them," Mr. Mullins, a former lab technician, said quietly, clearly hesitant to speak badly of the company that employed him, his brother and his children and that he likened to a family. His home, which he continues to rent from Pfizer for \$700 a month, is next to the factory here.

Feeling betrayed, Mr. Mullins sued Pfizer, a drug manufacturer that reported profits of \$425.3 million last quarter. Over the next five years, his hopes dimmed and his anger mounted, as the case dragged on. Then, last month, a jury found that the company had violated Federal law by failing to disclose its buyout plans to Mr. Mullins and by making "affirmative misrepresentations" about it.

To put it bluntly, said Thomas G. Moukawsher, Mr. Mullins's lawyer, "they lied."

This case sets a new standard for disclosure in the second circuit, which includes New York and Connecticut. Nationally, it is the latest in a spate of recent cases that have significantly expanded employees' rights to be informed