

[Enron Ron Ron]

By Reg P. Wydeven
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When my sister and I were young, her favorite show was 'The Hardy Boys'. Even though she liked Parker Stevenson better, my sister was still a huge Shaun Cassidy fan. She cut Parker's and his pictures out of 'Tiger Beat' magazine and she bought all of Shaun's albums. I think she actually ended up wearing out one of his records from playing "Da Do Ron Ron" constantly.

For some reason, that song goes through my head whenever I hear the word 'Enron', which is often lately because of the convictions last week of former CEO Jeffrey Skilling and founder Kenneth Lay.

I can almost hear Shaun's sweet voice when I'm watching CNN...

The jury reached a verdict on Thursday and my heart stood still,
Enron ron ron Enron ron.
They found me guilty now I have to post bond of 5 mil',
Enron ron ron Enron ron.

Yeah, my heart stood still,
Yeah, I have to post 5 mil'
I won't be going home,
Enron ron ron Enron ron.

Cassidy has since given up singing and acting and now works behind the camera by writing and producing for television shows. Among his credits are the CBS shows 'American Gothic', 'Cold Case' and 'The Agency', and the ABC series 'Invasion'. But even Cassidy couldn't have come up with a script as enthralling as the Enron story.

Skilling and Lay's trial came after a 4½ year government investigation into the financial collapse of the Houston-based company. Prior to its implosion, which was triggered by Skilling's abrupt resignation in August of 2001, Enron was one of the hottest companies on Wall Street. Lay, who was chairman at the time, postponed his retirement plans to return to the helm.

The company ended up filing the biggest bankruptcy in U.S. history in December 2001, which eventually cost 4,000 employees their jobs and most of them their life savings, in addition to the billions of dollars lost by investors.

Over the course of the 16-week trial, the government procured testimony from 22 witnesses, including former top executives, and presented evidence that Skilling and Lay orchestrated a conspiracy to artificially inflate profits, hide millions in losses and misrepresent the true nature of the company's dire financial situation. The height of the scandal came when Enron executives were instructed to shred documentation evidencing their smoke and mirrors scheme.

After six days of deliberating, the jury convicted Skilling of 19 counts of conspiracy, fraud, false statements and insider trading. He felt little consolation that he was found not guilty on 9 counts of insider trading. In all, Lay was found guilty on 10 counts of conspiracy and fraud.

The judge postponed sentencing until September 11, and both men are expected to face 20 to 30 years in prison. Lay was ordered to surrender his passport and post a \$5 million bond.

In all, 16 people pleaded guilty for crimes committed at Enron, and 5 others, including 4 former Merrill Lynch employees, were found guilty at trial.

Enron was the first domino in a series of high-profile corporate scandals, including WorldCom, Global Crossing, Adelphia and Tyco. This string of corporate corruption led to passage of the Sarbanes-Oxley Act, which heightened the reporting requirements of American companies and mandated more thorough auditing procedures.

With this new law, any corporate executive contemplating cooking the books is a moron ron ron a moron ron.

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