

EX-CEO OF OLYMPUS WILLING TO HELP WITH SCANDAL CLEANUP

Michael Woodford, the British ex-CEO of Japan's Olympus Corp, is still a director even though he was fired as the CEO of the company. Woodford blew the whistle on an accounting scandal that has engulfed the firm, according to Reuters. Instead, he said, the board had agreed that the once-proud maker of cameras and medical equipment should strive to avoid being delisted from the Tokyo stock exchange, a sanction that would make the business more vulnerable to takeover. "I just see a lot of suffering and misery for no gain," Woodford said. "But we should have the investigation, it shouldn't be fudged." Woodford fled the country of Japan after he was canned on October 14, so this was the first time he was back in the country, meeting with board members of the company. "I'm not begging to come back," he said. "I didn't volunteer for this, I'm not a hero. There was a tension in the room, but there seemed to be an understanding that it was in no one's interest to raise the temperature. They didn't shake my hand and I didn't offer mine. We said good morning and goodbye." Foreign shareholders of the company have begged the board to reinstate Woodford immediately, saying that he can restore faith in the firm, which is 92 years old. The reason that Woodford was fired was that he failed to adapt to Japanese culture and the management style of the company. Woodford is a rare foreign CEO in the country of Japan. Woodford claims he was fired because he questioned dubious merger and acquisition payments. Suspicion has been swirling that the payments were linked to organized crime. Woodford did not confirm whether or not the money was linked to organized crime but he did urge authorities to follow the money as much as possible. "That would be concerning if organized crime was involved ... but there's no evidence of that to date," he said. The chairman of KPMG, Michael Andrew, called for a set of procedures across the world for auditing those in the industry. He did defend the way his company handled the situation with Olympus Corp though. "What is pretty evident to me is that it is a very, very significant fraud," Andrew said in a speech in Hong Kong. "We should wait for the Japanese authorities to disclose that. I think it is very hard to jump to the conclusion that it's a corporate governance failure. What Japan should do is look around the world for the best human resources ... It would be sad if no more gaijin (Japanese word for foreigners) come." Before the board meeting, two directors of Olympus and an inside auditor blamed for the scandal quit their jobs. The president also announced that the current management team was ready to resign once the recovery of the firm gets back on track.

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