


OSAMA: BACK FROM THE NOT-SO-DEAD ■ HOW *BROKEBACK* BROKE OUT

TIME

A photograph of Bill Ford, CEO of Ford Motor Company, standing in a car factory. He is wearing a light blue dress shirt and a red tie, smiling at the camera. Behind him is a red car on an assembly line.

**WOULD
YOU BUY
A NEW
CAR
FROM
THIS MAN?**

BILL FORD has big ideas about how to save his company—and the endangered U.S. auto industry. How he's trying to give Motown back its mojo

BY DORINDA ELLIOTT

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SHOW ENRON SOME LOVE

The name Enron may now be synonymous with lost jobs, ruined retirements and galling corporate fraud. But the company—whose former CEOs Kenneth Lay and Jeffrey Skilling go on trial in Houston next week—also left a legacy of bright ideas. Here are three we can (grudgingly) thank it for.

■ **LOWER ELECTRICITY BILLS** Yes, Enron's market manipulation triggered California's rolling blackouts in 2000, but its unceasing push for deregulation of power markets made an impact. "The trading aspect of their business actually solved a problem," says Brian Hamilton, CEO of Sageworks, a research firm in Raleigh, N.C. Deregulation doesn't work unless traders manage the hour-to-hour gaps between supply and demand and keep those markets efficient. In states like Pennsylvania that have well-designed systems, retail prices have fallen as much as 30% since deregulation took effect.

■ **SMARTER RISK TAKING** Its culture embraced risk—including others'. Enron's Energy Services unit was a pioneer in building a business based on getting other companies to pay to shed risk. It helped concerns like Starwood Hotels handle complex financial instruments that protected them from swings in energy prices. Clients got predictable prices; Enron took on the risk—and potentially huge rewards. One tool Enron had to work with: groundbreaking in-house software for risk management.

■ **AN ARMY OF IDEAS** With 16 of Enron's execs pleading guilty to various crimes since 2002, it's easy to forget that the company had thousands of employees who moved on without rap sheets and, in many cases, with their novel thinking. Lynda Clemmons, who at Enron pioneered weather derivatives (financial products used to hedge climate-related risk like energy consumption) did the same for XL Weather & Energy. Top Enron trader John Arnold now runs an energy hedge fund, Centaurus, and a group of those pioneering risk specialists started Mobius Risk Group. Enron's top talent might have had a reputation for arrogance, but in the stodgy world of utilities, Enron was full of ideas—many of them perfectly legal. —*By Jyoti Thottam*



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