

### The Wicked Witch

As time slipped out of Value America's hourglass, General Kicklighter introduced Craig to a group of Australian businessmen. They wanted to build the kind of infrastructure tools our board had rejected. Fortunately for the Australians, many of Value America's best and brightest were now either unemployed or desperately looking to be reemployed in a more ethical environment.

This all led to what came to be called "The Craig Dinner." Those interested in a new challenge joined him one evening at the Downtown Grill to discuss the possibilities. Spotted by the FOGs, word quickly spread that Winn was up to no good. The FOGs, at Dorchak's direction, grilled the participants like SS troopers.

Joe Page, whom it was impossible to intimidate, sent the Hitler Youth an email: "I don't see any reason for being asked to sign another non-disclosure letter, other than that it's the company's reaction to the 'Craig Dinner.' I have already signed multiple non-disclosures. On a professional level, I would never leak out information. Personally, I am offended by the inference. Specifically regarding Mr. Winn, he is, and always will be, my friend. In addition, he is very insistent upon keeping Value America out of ANY conversations in his presence. Therefore, I consider this whole exercise to be nothing other than harassment."

Just for fun, Craig had his lawyers call the company and ask for his employment records. He knew that the one-size-fits-all employment contract he had signed had never been countersigned by the company. But lo and behold, when he received a copy, it bore Dorchak's signature, even though she had not even been with the firm at the time it was executed.

Craig somehow talked the Australians into buying a controlling interest in the now buck-fifty-a-share firm rather than building their own e-services business from scratch. So the Australians studied the juicy parts of the recently released annual report and came to the inescapable conclusion that Value America was running out of time and money. It was a win-win scenario, so the Australians went out and collected commitments for over \$50 million in venture capital.

Within days, they contacted the Special Committee's investment bankers. Fred Smith had hired Alex Brown to "explore strategic opportunities," but they couldn't be bothered. Rather than facilitate a legitimate offer to bail the company out of its cash-deprived predicament, they rebuffed the advance. The company's nervous management had told them to stonewall the Australians and challenge their motives. So afraid were Glenda and Wolf of losing their personal enrichment machine, they ordered Caise to craft a convoluted confidentiality agreement to thwart them, keep them at bay. Frustrated, the Australians faxed a letter to Smith, explaining the affront. He didn't respond.

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Value America's mercenary managers put out press releases with reckless abandon. They all said pretty much the same thing: The company is announcing a nothing

relationship with nobody. This is proof that the focused restructuring is taking hold. It is further evidence that the company's superior management team is worthy of their lofty salaries. The market yawned. The stock dropped. This time it fell below a dollar a share.

To be fair, they did do something. As soon as Glenda and her beloved FOGs were empowered, they eliminated the store's charity contribution feature. It was inconsistent with their corporate character. So in effect, they changed the beneficiary from great organizations like Habitat for Humanity and American Heart Organization to the pocketbooks of Glenda Dorchak and her devoted fan club.

But she wasn't without a heart. On one occasion the benevolent CEO roamed the halls with her HR Director in tow. In a move that would make Marie Antoinette blush, the Charitable One graciously handed each and every remaining employee a donut. The beneficiaries were speechless.

Unimpressed, Linda Harmon left. As a single mom, she needed the job desperately, but she couldn't take it any more. A woman of strong faith and good character, she had been stationed in Purgatory, the heart of darkness. She realized that all hope was lost. The dream of "doing well by doing good" had been turned into "get what you can while the getting's good." She watched in disgust as Glenda courted her girlfriend at Business Week. She overheard the heated conversations, witnessed the finger pointing among the loyalists as they blamed each other and jockeyed for position. She agonized over the repeated pleas from shareholders wanting to know what was going on. She passed the messages on to Mrs. Kuo, SVP of Investor Relations, but Kim just let them pile up on her desk, too busy painting her nails to be bothered.

Not surprisingly, Kim was the only employee Tom recruited from Value America for his next stint. She had done such a fine job, he whisked her off to Atlanta to work with his new company. But like most Morgan endeavors, it didn't last long. His next victim, though, was a larger, more established firm, so he was able to reward Goose Godfrey, Tom Starnes, and Cliff Chambers, bringing them all aboard. True to form, Starnes told the press that Morgan was the most wonderful professional he had ever served. You can't pay a man too much for that kind of support.

David Kuo, of course, followed his bride to Atlanta, where he wrote a book about his life and times on the periphery of Value America—his seventh job in less than seven years. Without any business background or understanding, it's amazing he'd even attempt it. Equally amazing was his next job. His new address? 1600 Pennsylvania Avenue, the West Wing: assisting the President to enact his faith-based initiative.

Meanwhile, back in Purgatory, der Dorchak and the Hitler Youth squabbled over who were going to get the best chairs. They pondered which overpriced consultant they would get to craft a business plan. They must have reached a consensus, for they hired—and paid—a small army of them. On the way down, they enriched every lawyer and consultant east of the Blue Ridge.

Katharine Winn was not immune from the fallout. She received a call at home one morning from the CEO of Wachovia Bank, complaining about the company's bizarre behavior. He wanted Craig to explain why the bank should continue the company's merchant account—its ability to accept credit card payments. Katharine patiently explained that Craig was no longer with the firm and that he should call Ms. Dorchak. When Katharine offered to provide the banker with her direct line, the bank's senior executive said, "Thanks anyway. I've called her. She won't return my calls. She's left me

with no alternative.” Wachovia put the company on notice that within sixty days it would stop all credit card payments. Sadly, it wouldn’t matter.

Another episode indicative of the company’s collective moral bankruptcy involved Apple Computer. Against the advice of Eric Cherna, her sole remaining productive merchant, der Dorchak commanded her entourage to blow \$200,000 filming an infomercial for the colorful new line of Apple PCs. Then, after it was done, she instructed them to solicit Apple’s support. The FOGs lied about it, telling Apple they would consider filming an infomercial if they would pay for it. Not only didn’t Apple bite, they said they hated infomercials. Don’t sell our radically new machines like some sort of kitchen gadget! Another two hundred grand squandered.

Unfortunately, that was now the norm. One day, for no apparent reason, Dorchak decided to change infomercial agencies. Her choice was fifty percent more expensive than the one it replaced. The agency not only cost more, the time they bought was less productive, so the new infomercials failed miserably.

Undaunted, the professionals filmed another infomercial. This time, the brain trust tried to sell business technology between Veg-o-Matics and Miracle Hair products. I don’t have to tell you how it performed. Cherna cried foul, but his complaints fell on deaf ears. Eric, who was now responsible for eighty percent of the firm’s revenues, resigned in protest.

As April rolled into May, something came up that compelled Fred Smith to call Craig. The discussion led to Value America. Craig once again volunteered to give up the right to sell his remaining shares to help the Special Committee. “Rex and I will work for a buck a day just to keep this thing from disintegrating any further.”

Smith replied, “The company is finally focused and making progress. A change at this time would be destabilizing. Thanks, but no.”

Destabilizing! “Fred, do you have any idea how screwed up this company is? Every day somebody important leaves. All the best merchants are gone. Nothing’s happening in technology, or anyplace else. If it wasn’t for Dungeons and Dragons and Age of Empires, they’d have nothing to do. From what I hear around town, everything’s ground to a halt. There’s no plan. There’s no leadership. There’s no sales. There’s no money.” And check the stock price: there’s no value, either.

Craig waited for a reaction, but got none. “I have no relationship with any of the folks supposedly running this company of yours. God knows what little I get is hearsay, stuff from the trenches, mostly from people long since discarded. It’s the kind of stuff you’ll find plastered all over the VUSA message boards. But Fred,” Craig paused to make sure he would choose the right words, “everybody is saying the same thing. The company’s sales have evaporated. Revenues may have fallen to as little as a million dollars a week. If the scuttlebutt is true, Value America will miss this quarter’s revenue expectations by seventy percent!”

“It’s not true!” Fred shot back angrily. “Management is telling us no such thing. They’re doing a fine job! You just need to let go.”

“I did, Fred. That’s the problem.”

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Management continued to delay reporting their earnings for their devastatingly inept first quarter. Normally, a company closes its books ten days after the end of a quarter. They invest another ten days reconciling, adjusting, and fine tuning prior to giving the auditors about the same amount of time to review their work. This is why public companies typically report their quarterly numbers four weeks after the quarter's end. Our brain surgeons were caught off guard when the May issue of Business Week debuted in April, weeks before they were ready to hide under Craig's shadow. Sure, they now had a great alibi, but unfortunately they would need a new diversion.

As these events unfolded, Wolf elected to trot off into the sunset. Glenda was crowned Chairwoman. Failure has its rewards. But the rewards were not shared equally. Remember Seth Rossi, the man who had worked so hard to broker Dorchak's promotion to CEO? So enamored was he with her seductive story, he continued investing in Value America stock. All the way down. He ultimately lost everything he had "earned."

But he was not alone. A supportive Smith, as poorly informed as ever, was again quoted praising Dorchak's superior management, her ability to stabilize and focus the company, and her tireless devotion to duty. The board danced to every note she played. Then they decided to pay—handsomely—for the privilege. For reasons even they may not fully comprehend, the members of the Special Committee—Durn and Tarpin on behalf of Pacific Capital, Smith on behalf of himself and Federal Express, and Flowers on behalf of Paul Allen—reinvested. They did what every entrepreneur knows should never be done: They threw good money after bad, torching another \$30 million.

Dorchak touted the news, claiming she'd raised \$90 million. She bragged to the press, "Today is the biggest day in Value America's history!" I'd beg to differ, but she had the podium. "The company has more than enough cash to make it all the way to profitability." The May 10, 2000 press release gushed:

Value America to receive up to \$90 million in equity.... The first set of agreements provides \$30 million from a new issue of convertible preferred stock to existing investors including Vulcan Ventures, Pacific Capital, Fred Smith, and Federal Express. The company also has entered into an agreement with Acqua Wellington for up to \$60 million. "These financing commitments represent a significant vote of confidence in the steps Glenda Dorchak and her management team have taken to stabilize and refocus Value America," said Fred Smith, Chairman of Federal Express, who serves as Chairman of the Special Committee.

"We have streamlined our model and achieved significant improvements in key operating indices including revenue per head and advertising efficiency," Dorchak observed.... "We believe we can continue to grow revenues and increase satisfaction while rationalizing costs and improving advertising efficiencies."

Buried deep in the rubbish was the dirty little secret that made all her exuberant claims a lie. Normally, e-tail firms begin their quarterly releases by proudly proclaiming that their astonishing growth is proof positive they are worthy of their lofty valuations. But for the first time, Value America could make no such claim. It was dying. At the last possible moment, they announced Q1's dismal results: "Revenues were \$47 million." The company wasn't "continuing to grow" as Dorchak and her propaganda machine had

claimed. \$47 million was less, not more, than the \$61 million the company eventually reported in the previous quarter.

But that wasn't the worst of it. The mercenary managers were failing at an ever-accelerating pace. While pathetic, their \$47 million Q1 revenues were nearly three times better than the \$17 million they would ultimately sell in the current quarter, Q2, a quarter already sixty percent over at the time Dorchak claimed to be "growing." She knew the truth, yet, as in the past, elected to lie. Value America wasn't doing any of the wonderful things she claimed.

So the groundswell Craig had heard regarding the second quarter was true. Revenues had fallen to less than a third of what they had been during his final quarter as chairman. Glenda missed her revenue expectations by \$50 million, a scant seventy-five percent below the numbers she had given Wall Street. I'm sure it must have been Craig's fault.

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Beleaguered shareholders received an expensive, elegantly bound copy of the electronic annual report that had been posted online some time before. It pictured the Wicked Witch garbed in her favorite color, black. With black covers, black text, and black news, it had all the effulgence of asphalt at midnight. Although she had been with the company since '98, Ms. D. began her three-page letter to shareholders by reassuring investors that the company was now being, in her words, "led by a completely new but very experienced management team headed by CEO Glenda Dorchak, formerly with IBM." Evidently pleased with herself, she carried on, and I quote, "Our talented, experienced management team plays a critically important role in our future success. In addition to the board having named me Chairman & CEO, Value America has appointed a new CFO and CIO." She didn't mention the company's founders in the 1999 annual report. She didn't mention Tom Morgan, either, although he'd been CEO most of the year. Courtesy of the gullible press, Morgan had now been written out of Value America's history, like an unpopular Pharaoh whose cartouche has been chiseled off all his monuments by a gloating successor.

The end of Glenda's letter was particularly delusional. "Our future opportunities are many. We received a significant vote of confidence as represented by a cash infusion that gives the company access of up to \$90 million in available cash." This was purposely misleading, of course, but she wasn't finished. "We believe that Value America is well positioned to flourish in the coming years." This, the perfect epitaph for her corporate tombstone, was followed by her parting salvo: "We believe we have quickly proved that the stewardship of Value America is in good hands, thanks to our employees who have demonstrated an unending commitment to shareholder value and in whose capable hands the future of Value America lies." Well, at least she got the last word right.

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The following memo pegged the evil-meter. On Monday, May 22, 2000, at 11:56 AM, Kari Meyer sent Biff Pusey the following email. She cc'd its beneficiary. The subject: "Loan Forgiveness."

I have spoken with Gerry Roche, Compensation Committee Chair, and he has agreed that the loan of \$250,000 between Value America and Glenda Dorchak is to be forgiven in full including interest. The Compensation Committee has agreed that the minutes will need to be amended to reflect this forgiveness....

A smoking gun if ever there was one. “The minutes need to be amended” means this action never occurred in the context of a duly authorized Compensation Committee meeting. That’s bad. Post-dating the “forgiveness” was worse, especially because if a company were to file Chapter 11, there would be a statutory ninety-day moratorium on the repayment of moneys. But because Value America was “flourishing” in her “capable hands,” there was no danger of that. Was there?

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By late June, Value America’s “experienced management team” was prepared to reveal their latest hoax. They called it ESB—it stood for Electronic Services Business. It was essentially the same idea Craig and Rex had proposed to the board six months before. That plan had been ignominiously rejected, as I recall, in favor of the touted but fatally flawed Restructuring Plan. But that was then, and this was now. Now, they heralded ESB as if it were the firm’s salvation, the professional choice.

Their report to the board began with a description of the “five main processes.” Value America’s managers were in their element. The only problem was, they forgot to enable any of the five processes. They produced revenue projections, by week, out fifty-two weeks; they just forgot to generate any revenue. They missed all fifty-two projections by one hundred percent. They never sold anything. After all, the Hitler Youth and the Brethren had worked overtime to make a scandal-hungry press believe that “selling” was despicable, the domain of delusional and over-zealous entrepreneurs. Selling was beneath them.

But ESB looked great, and they were paid handsomely for having conceived it. At fifty pages, it was filled with a sea of numbers so small they could hardly be read. But it didn’t matter. The FOGs had long since learned that nobody reads this stuff anyway. To fool professionals, all you have to do is look professional. It’s all a matter of perceptions.

Their PowerPoint presentation, replete with fancy flowcharts, colorful pie charts, and a plethora of bar graphs, was magnificent by all accounts. They even had a slide entitled, “Infrastructure Point of Pain.” But the FOGs’ love affair with “focus” was evidently on the rocks. “Focusing” hadn’t worked quite as well as they’d planned. The board, of course, gave ESB rave reviews. Anything to avoid admitting they’d been wrong.

In the final analysis, ESB had nothing to do with the Electronic Services Business. It was simply another scheme to confiscate what rightly belonged to the shareholders.

The money Dorchak and company had just swindled from Durn, Flowers, and Smith wasn’t going to last long in a two or three hundred person advertising-centric e-tailing business. There would have to be another round of layoffs, and soon, if the FOGs were to retain enough capital to pay their elevated salaries, retention bonuses, and multi-million dollar severance packages. But a new layoff of any magnitude could not happen without an excuse, a new plan. ESB was it. So let the layoffs begin. You could almost hear the Hitler Youth screaming, “Firings will continue until morale improves!”

The rank and file knew the company was imploding. Yet when they expressed their legitimate concerns over the firm's falling fortunes, management misled them. They encouraged those who remained to go on about their lives, buy homes and such. The mercenary managers inferred that in the unlikely event they stumbled, Federal Express would save Value America in the end.

And stumble they did. July 26, 2000 dawned fraught with portent. At the request of Fred Smith, the FedEx team gathered in Value America's executive conference room. At eight-thirty sharp, Dorchak called the meeting to order. This was to be the second and final début of the e-Fulfillment Services Business, eFSB (a more professional version of ESB, I suppose). Outside the arena, the troops, who had been led to believe FedEx had simply come to kick the tires before consummating the purchase, waited for a glimmer of hope.

The grand plan was unveiled by the consulting firm of Blair, Crawford, McKinsey. Evidently the mercenaries realized they had lost what little credibility they had once possessed, so they simply bought some. After demos, tours, and process reviews, the meeting ended at three o'clock.

No go. This time the presentation failed. Federal Express neither engaged the company's e-services tools nor consummated a purchase of the now drowning firm. Smith, in the end, was rumored to have wanted to do the deal, but was voted down by his Executive Committee.

So that was it. The music stopped. The dancers ceased their fancy footwork. The clock struck midnight, and Value America turned into a pumpkin. What had once been valued at three billion dollars, the second largest e-tailer on the planet, was kaput.

You don't just wake up one morning and say, "I think I'll bankrupt my company today." It takes preparation, expensive lawyers, and time. Dorchak must have started planning her get-even-richer-quicker scheme within days of the \$30 million heist from Durn, Flowers, and Smith. She had to. She had a colossal problem. Her Q2 revenues were seventy percent below Wall Street's expectations and about a third of the prior quarter's. If that were announced, she would instantly become the laughing stock of the dot-com world, the poster girl for failure. She'd do anything to avoid that.

The last possible date for making her failed Q2 performance public was fast approaching. As soon as she released her quarterly results, the entire business world would know she was a fraud. She had burned both Winn and her fellow board members to cover her butt last quarter. She was fresh out of diversions.

This time the answer to her little credibility problem lay in the arcane language of bankruptcy law. A bankrupt company doesn't have to publish a quarterly report card. And make no mistake, Glenda Dorchak was willing to do anything, no matter the cost, to keep from revealing that her tenure as CEO had been a con, an elaborate snatch-and-run.

By filing bankruptcy this soon, she could still claim she had done her best, but that the disaster Winn had left behind was beyond redemption. That was good, but it got better. The \$30 million they just received could be legally diverted from the shareholders and creditors to—you guessed it—the "capable hands of the experienced and professional" management team.

It looked like Christmas in August. But surely she wouldn't bankrupt a company that had tens of millions in cash for her own personal gain! Surely she wouldn't do it within months of her glowing "we're growing; we're flourishing; we've just had the best day in

Value America’s history” diatribe. Sure she would, and did. Dorchak was as easy to predict as a bad girl on prom night. She and Value America were going down.

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Just for fun, on Chapter eve, the characters played one last charade. CMO Tom Starnes hosted the first annual “Value America-InService Partners for Life” party. The hosts even bought celebratory t-shirts for the entire Value America team at InService to commemorate the occasion.

Starnes had been a leading contributor to the e-services plan. He knew the score, yet he purposely deceived the good folks at InService, asking Carl Townsend, their CEO, to do things that would have been disastrous for his people if Value America were to file for bankruptcy. Then, to add insult to injury, the sanctimonious Starnes called Carl moments after the big announcement and told him “to accept the news like a Christian.” Hypocrite is too soft a word.

As this drama was unfolding, the investor community was also being purposely duped. Yes, Dorchak knew how to keep a secret. Against SEC regulations, she was withholding material, adverse information: both of the company’s payment sources, the company’s credit card and its merchant account with Wachovia Bank, had been revoked. That was plenty “material,” and certainly “adverse,” but there was no announcement. The quarterly performance was well south of pathetic as well, requiring an earnings warning. But releasing such news, in compliance with SEC regulations, would have been more humiliation than she could bear. So without notice and without explanation, Dorchak ordered the company to cancel its scheduled earnings release and investor conference call. Her Investor Relations team told shareholders not to worry, implying the delay was in preparation for a positive announcement, a merger, perhaps.

The Great Dismantler had no intention of ever letting the public know how badly she had abused their trust. Dorchak bankrupted the company rather than accept blame. Two out of every three remaining employees lost their jobs as a result. Over 180 more people were now sacrificed on the altar of greed.

On August 11, she filed Chapter 11. For the founding fathers, it is a date that will live in infamy.

The company announced that it was leaving the retailing business forever. They turned off the store that day. The company’s servers never registered another sale of any kind. Glenda and the FOGs landed on their feet, of course. They kept their jobs, a remarkable achievement in light of their failure, which was arguably among the most magnificent in corporate history.

Funny thing about the timing, though. August 11th worked out to be exactly ninety-one days from May 10, the date to which Glenda had arranged for her quarter-million dollar loan forgiveness to be back-dated. How fortuitous.

Every Glenda loyalist was retained, even though there was little or nothing for him or her to do. Dorchak kept Nick Hofer, her VP of Advertising, even though there would be no more ads. She kept Candy Clifford, her VP of Sales, although there was nothing left to sell. Dorchak retained her VP of Investor Relations—sick, considering the shareholders were now toast. She even managed to save her VP of Human Resources, though most of the humans were now long gone.

The list of overpaid, under-employed professionals went on and on. Who they kept and who they discarded spoke volumes. It was obvious to everyone except Value America's esteemed board that they had no intention of making e-services work. Dorchak was simply paying her dues.

But the hoax didn't end there, not by a long shot. They tried the same trick on the bankruptcy judge they had deployed so successfully on the board. The FOGs told the court that they were the company's greatest assets—that they must be retained at any cost. And the cost was astronomical. For starters, Glenda asked the judge for \$50,000 a month. Annualized, that's \$600,000. She recommended \$42,000 a month for Tip Lawson, her CFO. Newcomer Robert Lamb, EVP of Operations, was slated for a handsome \$37,000 a month, \$444,000 annualized. Not bad for a guy three weeks on the job. Niles Edwards, the other Goose Godfrey find (along with CFO Lawson) was to be paid a cool \$40,000 a month. And lest I forget, the SVP of HR for the company now in the midst of its second fifty-percent reduction in force scraped the bottom of the barrel, pulling in a measly \$32,000. An HR director for a bankrupt company with maybe seventy employees left earning \$394,000? Why not? I'm sure the Comp Committee would have approved it.

The FOGs justified their ransom demands with the following words: "In order to implement its e-fulfillment services business, the Debtor needs to induce its remaining top five key executive employees to remain as a team during this reorganization.... These five are charged with leading the Debtor's capital restructuring and operational transformation. Their mission is daunting.... It is imperative," they told the judge, "that this retention program must be approved in order to give this Debtor the best chances of success." It was all contained in a twenty-page tear-smearred document, artfully crafted by a team of high-priced lawyers.

For added measure, the co-conspirators had the nerve to beg the court for severance packages. CEO Dorchak: another \$375,000. The CFO: \$270,000 more. The CIO: \$300,000. The EVP: \$265,000. And the SVP: \$102,000. Then there were "emergence bonuses." But enough already. It's perfectly clear this was not about the e-services business; it was about corporate necrophilia.

Oh, and guess who profited again, to the detriment of the shareholders? Listed proudly as bankruptcy counsel for the company was Caise, Perkins. The mismanagement of Value America had indeed become a profitable affair—Justin's firm had over two million reasons to celebrate.

Glenda, according to public documents, made dismantling Value America a wonderfully enriching experience. She earned \$266,000 in salary, a bonus of \$443,000, another \$250,000 courtesy of a forgiven loan, plus the sale of options worth \$242,000. Of course, that \$1,200,000 didn't include her raise to \$525,000 for the smash-up job she'd done managing the company in 2000. Nor did it include her recent bonus, severance, and emergence rewards.

Investors and employees posted messages on VUSA's message boards with reckless abandon. Dorchak was so enraged by these public postings, she personally led a Witch-hunt trying to expose the authors. In light of the pain so many have endured at her hand, it's only fair to give the employees and shareholders of Value America the last word....

“I heard it on the radio this morning. I must have been asleep and didn’t hear things right. According to the filing chairwoman Glenda Dorchak wants \$603,000 a year. It’s no wonder that they filed for bankruptcy! This company is ridiculous...these managers are trying to suck it dry.”

“Let Them Walk, Your Honor!... As the first to blow up and the first to file Chapter 11, the VUSA team already has a leg up on the rest of the world. I see no reason why the people who ran VUSA into the ground and lied repeatedly shouldn’t continue to get paid through the nose for performing this service. Without a guaranteed severance that exceeds the money she wasted at Yahoo, how could our Ms. Dorchak survive?”

“The Real Scoop: They are hiding behind Chapter 11 just to set themselves up for a big chunk of the change while hurting the lives of 185 former employees and their families. ANY judge HAS GOT TO SEE THROUGH WHAT THEY’RE DOING. They’re used to working with crooks, aren’t they?”

“The court should reject everything these jerks are proposing. First they file bankruptcy, then they enrich themselves.... Sad.”

“Wow, and you guys want more money. Can you at least tell us for what? You don’t have any clients. You’re not bringing any money in. What’s the deal? I really do hope VA survives just for the shareholders and the remaining great employees, but geez, you all have to understand how shitty you all look. Shame on you, Glenda, Craig was right about you. Choke on your bonus.”

“Oh please Glenda, you and your cronies are f----- unbelievable!!!! Bonuses again? Your gall is amazing, you worthless b----. Here’s a thought—pay the employees and the creditors what you owe them. Oh, sorry. That would mean you were honest. Gee, what was I thinking?”

“They tell the judge ‘the company will be hindered if any of us clowns leave.’ Stop it, you’re killing me! Why would anybody hire people that lose money as fast as they lie? The inmates have taken over the asylum.”

“Working there taught me about walking the line between legal and illegal. No one cared that we were on the wrong side of the line.”

“Our integrity sunk to the levels of our leaders. Glenda took us for a ride. Now she’s sitting with the FOGs and paying them to make her, a high school dropout, feel smart, powerful and well liked. Value America is down to 65 employees. That just makes more bonus money available to the FOGs.”

“Anyone know if Glenda will be in court tomorrow? Hopefully I’ll get my fondest wish and see the nasty woman squirm. Her lies are so entertaining, as anyone who ever attended one of her stat chats can tell you. She raped the shareholders. It’s a shame so many bright people were wasted.”

“I asked someone still at VA how Glenda was doing. He said, ‘Remember Typhoid Mary? She was more popular.’”

“The first duty of a politician is to perpetuate themselves in office. Apparently these people want to model themselves after politicians. They even lie like them.”

“How can VUSA have a chance when its CEO is an idiot. All she knows is how to rip off people, profiting herself by getting away with crime. Glenda is not a leader. Employee morale is unbelievably low. They fire their best people and retain the worst. VUSA no longer has anything to offer. The only ones benefiting from all of this are the big shots (they are still milking the company). I cannot understand how employees and investors are letting this take place.”

“All Glenda has to do is ride this e-services monkey business through the end of the year and she won’t be leaving potato chips on the table. Current employees who have leveraged big pay increases can thank the board. The only reason she’s paying others for doing nothing (no, it’s not the Dorchak Apprentice Program) is because she doesn’t want to tell the judge that she...has no prospects of success.”

“The Dorchak method is so much more direct.... Take the money and stiff everyone else. Their new e-biz plan is a scam. Close the doors, judge.”

“Dorchak and Larson are cheap at half the price. It’s not easy to find a pair that have both run two companies into the ground in less than five years. I’ll bet the headhunters are buzzing around the place like killer bees! Between them they wrote the book on B-to-B: Business to Bankruptcy. And on B-to-C: Business to Cayman Islands bank accounts.”

“Reasons Why Glenda Needs the High Salary, Bonus, and Severance: 1) This job will be her last. After the fiasco of turning a \$20 stock into a penny stock, she needs to pad her retirement account. 2) She’s ugly, and ugly people have been treated unfairly. 3) She needs to confirm her supreme authority so she can say, ‘Hey, I’m...better than you are.’”

“Good morning, Glenda. Are you embarrassed or ashamed of yourself yet? Didn’t think so. It’s not your style, huh? Remember, your number one responsibility was to the shareholders. Boy you f----- them, didn’t you? Take any chartered planes recently? That was the first clue.”

“Glenda must be the most deceptive human being I’ve ever known. I bought into this company based upon her restructuring plan. But rather than saving it she runs it right into the ground. Glenda, all you are is a con-artist, a thief who stole our money... ‘a wolf in sheep’s clothing.’”

“Glenda is nothing but a high school dropout with a failed resume. While she worked at Ambra, she abused more people than she did at Value America. No doubt, based upon

her ability to deceive, whoever brought Dorchak into VUSA looked at the Ambra massacre as the crown jewel on her resume.”

“Check out Craig Winn’s website at VADefense.com. I’ve been led to believe that Winn was one of the big problems with VUSA. I have rethought that and now believe that his contributions to the demise of the company pale compared to Tom, Glenda, and the FOGs. Then again, he did hire them. Like everyone else, I thought he was dumping his stock to drive the price down and make it harder for us to raise new funding. According to his site, he didn’t. Only reason I accept this is that his statements are so easily verifiable.”

“You stood up there at the Doubletree and told the entire company when we were 185 people stronger that the problem was that Craig and Rex won’t stop dumping their shares. You said that once they were finished, we could look for the sun to shine again and we would start to make money. You’re a liar. We knew you were insulting our intelligence. Now you have proved it through your actions. I can’t understand why the board continues to keep you. Craig was right about you, and we all knew it.”

“Many were naïve and bought the VUSA propaganda. Some are still buying it. If you believe these people will salvage something from this corpse, you’re living the embodiment of P.T. Barnum’s belief.”

“Look at the bright side. After months of doubt, you can now be sure they weren’t too dumb to steal. All they needed was a new vehicle, a new stage so that their previous failures would be hidden—and their new schemes enhanced—by the fact there would be no surviving corporate entity left to reveal their thievery.”

“Thank the whole team: Glenda, the FOGs, and the whole Severance Club. Nobody can accomplish something like this on their own!”

“I cannot even comprehend what this management team has done. The lies and false promises they have spewed in their press releases. Loser leadership at the helm of the biggest hoax in history.”

“Glenda knew we were going to file bankruptcy prior to her early June vacation in Italy. She told her team to put the plan together before she left.”

“I found it hard to believe that Glenda would lie to my face, but you know what? She did it without batting an eyelash!”

“The problem is that Glenda and the FOGs are working for their own benefit, not for the good of the company. That has always been the problem. Why would they be asking for large bonuses and severance packages if they didn’t see this thing continuing to head downhill? One would think that if they really wanted to succeed, they would be focusing on the business rather than their own pockets.”

“Obviously they are closing the doors, but not before they set themselves up for early retirement with hefty severance packages. The anger is immobilizing! All I keep hearing is ‘don’t worry, Glenda will get what’s coming to her?’ WHEN? Somebody PLEASE tell me how this will happen and help us all put this bad nightmare to rest!!!”