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## Steffy: Businessman has firm grip on damages

By **Loren Steffy** Published 6:30 am, Sunday, February 6, 2005

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Two weeks ago, **Mickey Redwine** made an unusual call to the U.S. attorney in Manhattan from his office in a tin building here amid the woods of East Texas.

Redwine offered to testify for the prosecution in the fraud trial of former WorldCom Chief Executive **Bernard Ebbers**, which starts its third week on Monday.

Redwine, who runs a cable drilling company, doesn't have any insight into the \$11 billion accounting fraud that brought down WorldCom in 2002. He hasn't really followed the details of the trial, and he's never met Ebbers or former Chief Financial Officer **Scott Sullivan**. But he lives with the consequences of their actions every day.

Redwine says he lost almost \$9.3 million he had invested in WorldCom. That doesn't include the college funds for three of his four children that WorldCom's collapse wiped out or his mother's individual retirement account, which also was heavily invested in the stock. Nor does it include the more than \$800,000 in receivables for his company that WorldCom's 2002 bankruptcy erased.

#### 'A face on the damage'

"I would like to meet Mr. Ebbers and Mr. Sullivan so they can put a face on the damage they've done," Redwine says from his office off a rough-edged blacktop county road outside of Tyler. He said he would like the jury to know "what it was like to be on the receiving end of fraud."

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Redwine's company has done business with MCI since 1987, and he continued working for the company after it was bought by WorldCom in 1998. He works for it still, now that it has emerged from bankruptcy and has reclaimed the MCI name.

Through it all, he maintained a deep loyalty to the long-distance provider that once accounted for as much as 60 percent of his company's revenue. Redwine's business philosophy is simple: Take care of customers, and they'll take care of you.

It's an old-fashioned way of doing business — a way that works, a way that fosters loyalty and a way that amplifies the sense of betrayal when that bond is broken.

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"They were like family to me," he says. "It was devastating to see."

### Declined to sue

When lawyers asked Redwine, because of the size of his losses, to be a lead plaintiff in a class-action lawsuit against the company, he declined. He still does business with MCI and still respects the people he deals with there, who were far removed from the accounting antics. Despite his loss, he felt suing the company would be wrong.

Redwine's **Dynamic Cable Construction Co.** bores holes for underground cables and pipelines, primarily for telecommunications companies. His specialty is difficult jobs, such as drilling in big cities and under rivers.

In the past four years, as the telecom business imploded, shedding 300,000 jobs nationally, Redwine has borne his share of the hardship. His company has gone from 450 employees to about 75.

He lost a bundle on other telecom stocks he invested in, too, but he's willing to accept the consequences of a bad decision.

### **'I wasn't defrauded'**

"That's a business loss I can accept," he says. "I wasn't defrauded."

Redwine, 50, is nothing if not tenacious. A licensed peace officer, he passed the academy in his spare time, paying the instructor to tutor him on weekends. One of his earliest drilling projects involved wiring New Orleans' French Quarter for cable television, a job that, to preserve the area's heritage, required removing one brick at a time, numbering it and returning it to its exact location when the work was finished.

He also bored a record 6,700-foot-long hole under the Potomac River, fought off alligators and snakes while running cable in the swamps of Louisiana, and drilled under the Puente Grande River in Mexico in defiance of the devil, whom locals said had cursed the river.

Redwine has the firm handshake of a man used to shaking hands that do real work.

It's the kind of grip that Bernie Ebbers, a one-time bar bouncer and motel operator, lost long ago. Ebbers lost his grip on other things too – on honesty, on integrity and, ultimately, on his company.

### **Happy to help**

As Ebbers' trial resumes this week in New York, the former CEO, who assembled one of the world's largest phone companies through a barrage of 70 acquisitions in less than two decades, now claims he couldn't understand the accounting that made it all possible.

Redwine smirks at the notion. He is, in a way, the anti-Ebbers. He runs three companies, and he's managed them through good times and bad. He doesn't draw a salary, he doesn't ask his board to guarantee him personal loans and he doesn't lie to shareholders to pump up his stock.

He knows a thing or two about responsibility and integrity, though, and about the value of good business relationships.

And thanks to Bernie Ebbers, he knows a thing or two about betrayal.

He's happy to share his story with the jury. He's just waiting for the phone to ring.

**Loren Steffy** is the Chronicle's business columnist. His commentary appears Sundays, Wednesdays and Fridays. Contact him at [loren.steffy@chron.com](mailto:loren.steffy@chron.com).

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