

NEW REPORT SAYS A PANDEMIC IS OVERDUE, BUT COMPANIES AND NATIONS ARE ILL- PREPARED TO COPE WITH THE IMPACT

Ten Best Practices Offered to Overcome 'Pandemic Fatigue'

LAS VEGAS, Nevada, September 27, 2007 – A new report issued today by Marsh and The Albright Group, two of the world's foremost risk experts, warns that the catastrophic impacts of a long-lasting pandemic are not only likely to happen, but overdue. The study also states the impact of a pandemic is likely to exceed what most corporate and governmental leaders have imagined, or are prepared for. This comes on the heels of U.S. government reports issued earlier this month that come to similar conclusions.

The Marsh – Albright Group report has two primary focuses: social and economic. The social impact looks at the health and well-being of citizens, families, employees, customers and business partners. The economic impact includes a deeper understanding of the potential for disruption of operations and supply chains, as well as diminishing or fluxing demand for products and services. The report's findings will be discussed by experts during the 5th International Bird Flu Summit, being held here this week at the Thomas & Mack Center.

Corporate Pandemic Preparedness: Current Challenges to and Best Practices for Building a More Resilient Enterprise was funded through an educational grant by Roche to help it better gauge potential global markets needs should a pandemic occur.

The scientific consensus is that an avian pandemic could sicken 20 percent of the world's population, result in absenteeism of 40 percent of the global workforce, and kill tens, if not hundreds, of millions of people. The report goes on to say that outbreaks will likely move along modern transportation and distribution chains, with transportation hubs being especially vulnerable. Disruption at these hubs will be significant and could have an irreversible impact on businesses.

"We found very few companies adequately prepared to protect their people or ensure the continuity of their business in the event of a pandemic," said John Merkovsky, president of Marsh's risk consulting unit.

"We cannot afford to develop pandemic 'fatigue' or a sense of complacency around this particular risk," said former Secretary of State Madeleine Albright, Principal of The Albright Group. "With so many other pressing issues, preparing for a pandemic may not currently fall high on the list of priorities for businesses; but not doing so could result in devastating consequences for their operations."

Added James O'Brien, Principal of The Albright Group, "Not even one in four businesses in Asia has a plan to keep operating when a pandemic happens. And if a pandemic starts in Asia, it will affect every global business."

Marsh officials say discussions with global companies reveal the majority of them believe it's unlikely that a pandemic could strike their operations. But the fallacy in this thinking is found in a narrow view that does not take into account the global interdependencies of today's economy. Said differently, a pandemic outbreak in Dubai could easily have far-reaching effects in Dublin and Dallas.

"Many companies don't believe a sufficient business case has been made for taking action today," said Gary Lynch, managing director and practice leader for Marsh's Global Risk Intelligence Strategies. "But we're hopeful this report, and the additional work being done by other experts around this emerging risk scenario, will continue to raise awareness and acknowledgement that additional action is required – sooner rather than later."

Just in the last few years, an outbreak of SARS – which never reached pandemic status, but spread quickly from a single case in rural China – resulted in billions of dollars in economic damage. However, since there is no effective risk transfer mechanism for a pandemic, the only answer remains planning and mitigation activities.

"Top Ten" Tips Provided

With this in mind, the Marsh – Albright Group study lays out 10 best practices that leaders can use to improve their state of preparedness for a pandemic. These steps include:

- Treating a pandemic as a truly catastrophic event versus a "manageable disruption;"

- Establishing pandemic planning committees, supported by an actual budget;
- Identifying and pre-qualifying alternate sourcing capacity
- Incorporating their entire global supply chain—including critical suppliers, customers, and other key stakeholders—into the organization’s threat and vulnerability profile;
- Prioritizing critical products and services and preparing to protect those, even at the expense of other important elements of a business model;
- Developing a plan that considers the spectrum of response, recovery, restoration, and resumption activities;
- Identifying critical pharmaceutical and non-pharmaceutical interventions and procuring them now;
- Focusing deeply on Human Resources issues, reviewing existing policies and procedures and, in most cases, updating them in an attempt to provide reasonable accommodations for this special circumstance;
- Including a communications strategy as a critical element in the pandemic preparedness plan; and
- Estimating and planning for post-pandemic changes, including shifts in demand patterns, in the availability and morale of staff, and in infrastructure, both locally and to vendors.

"The time to plan is now," said George Abercrombie, president and CEO of Hoffmann-La Roche Inc. "Once the WHO declares that we are in a pandemic, it will be too late for companies to begin planning. Even though, the threat of pandemic avian flu doesn't make the headlines these days, I hope that business continuity managers will read this report and begin to take the threat seriously."

A copy of the full Marsh – Albright Group report is available by [registering here](#).

About The Albright Group

Founded in 2001, The Albright Group LLC works with companies to expand their business while making positive contributions to the larger global community. The Albright Group LLC has supported industry leaders in health care, telecommunications, insurance, entertainment, consumer products, water, information technology, energy, emergency response and environmental protection, among others. Our clients have included Fortune 50 companies, funded startups, foundations, labor unions, law firms and not-for-profit organizations.

Madeleine Albright has been a Principal of The Albright Group since 2001. From 1997 to 2001, she was the 64th Secretary of State of the United States – at that time, the highest ranking woman in the history of the U.S. government. From 1993 to 1997, Dr. Albright served as the U.S. Permanent Representative to the United Nations and as a member of the President’s Cabinet.

James C. O'Brien has been a Principal of The Albright Group since 2001. He served in the U.S. Department of State from 1989 to 2001, including as Principal Deputy Director of Policy Planning, and finished as Special Presidential Envoy for the Balkans.

About Marsh

Marsh, the world's leading insurance broker and risk advisor, has 26,000 employees and provides advice and transactional capabilities to clients in over 100 countries. Marsh is a unit of Marsh & McLennan Companies (MMC), a global professional services firm with more than 54,000 employees and approximately \$11 billion of annual revenues. MMC also is the parent company of Guy Carpenter, the risk and reinsurance specialist; Kroll, the risk consulting firm; Mercer, the provider of HR and related financial advice and services; and Oliver Wyman, the management consultancy. MMC's stock (ticker symbol: MMC) is listed on the New York, Chicago and London stock exchanges. MMC's Web Site is www.mmc.com.

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