Comings and goings
Profiles of Bradley, Fox, Simma, McCree

The Law School faculty and administrative staff continue to be strengthened by the addition of new members. In the present issue, LQN presents profiles of Michael Bradley, an expert on corporate finance; Merritt B. Fox, a specialist in securities; Bruno Simma, an internationally renowned scholar on human rights law; and Dores McCree, a new student services administrator who has had extensive contact with the legal profession. We are also including news of Head Reference Librarian Linda Maslow's departure for a parallel post at the U.S. Supreme Court Library.

Michael Bradley
Champion of hostile takeovers

A highly controversial issue in corporate governance recently has been the desirability of hostile takeovers. Michael Bradley, a nationally renowned professor of finance at the U-M Business School who now holds a joint appointment at the Law School, believes that hostile takeovers are beneficial to the nation's economy. "While there is an inherent suspicion of these transactions," asserts Bradley, "research indicates that they result in a higher value allocation of corporate resources and that the claims of detrimental effects are unfounded."

The Everett E. Berg Professor of Business Administration and one of the country's leading specialists in the area of corporate control, Bradley describes problems blamed on hostile takeovers as "smokescreens," explaining that occurrences such as plant closings or reduction in wages are really the result of economic conditions and would have happened in any case. Asked about the traditional idea that competition is good for the economy, Bradley explains, "We should realize that we are in a world economy and that to compete with multi-national conglomerates, companies have to be a minimum size." Another benefit of hostile takeovers, he argues, is that they "force corporate managers to be vigilant of what is going on in the marketplace and to comply with the discipline of the takeover market."

A native of Pittsburgh, Pennsylvania, Bradley moved with his family to Potlatch, Idaho, where his father bought a general store in 1965. "It was quite a change, going from an urban setting to a small town," Bradley recalls. "But I liked Idaho enough to go to college there."

After graduating from the University of Idaho with a major in applied economics, Bradley moved back to Pennsylvania to work for GTE-Sylvania, first as a systems engineer and then as manager of market research. He earned his M.B.A. while working at GTE by attending night school at Syracuse University. In 1973, Bradley continued his studies at the University of Chicago's economics department and started working on his Ph.D. in the business school the following year. In 1978 he joined the faculty of the University of Rochester.

A member of the U-M Business School faculty since 1981, Bradley began teaching courses at the Law School in 1983. Known as an outstanding teacher, he is also recognized as an incisive scholar whose research is widely cited in academic journals and Supreme Court decisions. His joint appointment was viewed as an important intellectual bridge between the schools of business and law. Commenting on the importance of teaching law students, Bradley says, "Corporate control issues have spilled into the law school. Lawyers, especially those going into business law, need to be aware of these issues and economic issues in general." Bradley believes that, with courts more likely to accept economic arguments, this knowledge is becoming increasingly important to law students.

Grace Shackman

Merritt Fox
Corporate and securities law specialist

"Too much investment decision making is occurring within corporations at the top," states Merritt B. Fox, a specialist in corporate and securities law who joined the faculty this fall. Current practices, he feels, "not only result in investments that enhance the interests of management more than those of shareholders, but they stifle innovation as well."

Fox developed this thesis in his recent book, Industrial Performance in a Dynamic Economy: Theory, Practice.