

February 23, 2004

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Mr. Michael Courlander
Public Affairs Officer
United States Sentencing Commission
One Columbus Circle, N.E.
Suite 2-500, South Lobby
Washington, DC 20002-8002

Dear Mr. Courlander:

I am writing to comment on the report and recommendations of the Ad Hoc Advisory Group on Organizational Guidelines for amendment of Chapter Eight of the sentencing guidelines for organizations.

As of January 28, 2004, I am the West Central Region Vice President and General Manager for Coca-Cola Enterprises, and, for several years prior, I was its Senior Vice President and General Counsel. As General Counsel, I was aware of the federal sentencing guidelines and the positive impact they have had on the development of the role of ethics and compliance officers in corporations. I applaud the Advisory Group's recommendations to amend the guidelines to further promote efforts by corporations to "exercise due diligence to prevent and detect violations of law" and to "otherwise promote an organizational culture that encourages a commitment to comply with the law."

I would, however, like to make one suggestion for improving upon the recommendations made by the Ad Hoc Advisory Group. Proposed § 8B2.1(b)(5)(c) provides that an "organization shall take reasonable steps - ... (C) to have a system whereby the organization's employees and agents may report or seek guidance regarding potential or actual violations of law without fear of retaliation, including mechanisms to allow for anonymous reporting." This proposed amendment is a worthwhile improvement, but it does not go far enough in addressing what, in my view, is the single most important inhibitor to employee reporting -- lack of confidentiality in seeking guidance about how and where to report.

The text of the report's discussion relating to this proposed amendment makes it clear that confidentiality is an extremely important consideration for employees and others who may want to report misconduct and violations of law to the corporation. The report also describes the "litigation dilemma" that prevents confidentiality from being guaranteed in connection with "reporting" misconduct. A good solution to this impasse

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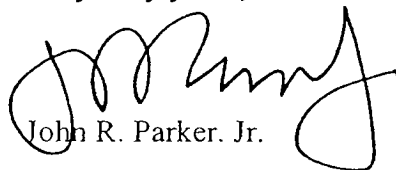
would be to require that, as part of an organization's "system," it have a means whereby employees and agents may "confidentially seek guidance regarding potential or actual violations of law without fear of retaliation"

Such a modification of the proposed amendment would help those who need more guidance and reassurance on how and where to report violations to receive it, and allow them to become familiar with what the process may be and what action they may expect from the corporation. The proposed amendment, as it currently reads, does provide for anonymous reporting, and this is clearly an important component of any system. Anonymous reporting, however, is not a substitute for receiving confidential guidance, and often is too passive or not responsive to an employee's legitimate concern over what may happen if something is reported. I believe that helplines and hotlines are good and should be encouraged, but they are not enough. Having a confidential mechanism to seek guidance would strongly promote the culture of compliance that the proposed amendments are trying to encourage.

My experience at Coca-Cola Enterprises has lead me to believe that a confidential means of providing guidance can be very effective in resolving workplace disputes and in encouraging a culture of compliance with the law. We accomplish this mission with our Office of the Ombuds. It operates just as I have outlined. It is a confidential place where employees can go to ask questions, seek guidance, learn about reporting channels, or just get a better understanding of the process. Ombuds help employees find the most appropriate way to report, consistent with their comfort level; they are not themselves a reporting channel, since they are not part of management, do not do investigations, and do not accept notice of claims on behalf of the company. Under these circumstances, there is no inherent inconsistency between their informational and informal assistance function they serve and the more formal role served by our compliance officers. The ombuds, therefore, act as a supplement and complement to our compliance officers, not in lieu of them.

I understand that the Advisory Group did not want to dictate specific means by which organizations can accomplish the requirements imposed by the proposed amendments. This is as it should be. While I believe that an ombuds program is an ideal way in which to provide this confidential guidance, each organization should be allowed to find a way that is appropriate for it. The important thing is to provide a confidential means to seek guidance.

Very truly yours,



John R. Parker, Jr.

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