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Business

Melamed cutting back role at Merc

ALONG LA SALLE ST.
By David Greising

Leo Melamed, the man who is the Chicago Mercantile Exchange, told the Merc's members yesterday he will "substantially reduce" his role at the exchange and concentrate on private and personal affairs.

Melamed will remain special counsel to the Merc's board, a post he has held since departing as Merc chairman in 1977. But in a speech to the semi-annual membership meeting and in a letter mailed to members Wednesday, Melamed said he plans to concentrate on Dellsher Investment Co.—where he is founder and chairman—his family and fiction writing.

In the letter, Melamed said he has often spoken of decreasing his role at the Merc, but "I was always dissuaded from carrying out this avowed intent." He decided to make the move now, because of "the culmination

Melamed cutting back on Merc work

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of many major projects involving a whole array of CME or industry-wide undertakings."

In the last year, Melamed spearheaded the Merc's move to a new headquarters building at 30 S. Wacker and guided the introduction of an array of new products.

He also helped lead the industry's battle to gain the right to trade options on agricultural commodities. That effort came to fruition last week when the Merc started trading options on live cattle futures.

Melamed has also participated in the Merc's transition to a new leadership, as Merc President Clayton Yeutter prepares to leave the exchange early next year. President-designate William Brodsky will succeed him.

The product introduction cavalcade is not likely to slow down, even with Melamed's diminished place for our next wave of option contracts wil materially strengthen our options presence and again broaden our over-all base," he said in the letter to members.

In saying he will "substantially reduce my role in CME activities," Melamed said he will not attend Merc board meetings, "nor maintain a daily role in the ongoing Merc decision process. In short. . .I will attempt to step aside from the forefront of daily CME affairs."

Leo Melamed

Brian Monieson, Merc chairman, said Melamed is "probably responsible for not only the growth of the Mercantile Exchange, but also responsible for the growth of the entire industry."

Melamed will change "from an operational manager to basically a strategic planner," Monieson said in an interview after the membership meeting. Asked if Melamed will remain influential at the Merc, Monieson said, "Influence comes from respect and intelligence. It doesn't come from titles."

At the closed-door membership meeting, Monieson reportedly emphasized that he is not leaving the Merc. "I'm not going to quit trading. Dellsher isn't going away. I'm not even giving up the title" of special counsel, he was quoted as saying.

Members leaving the meeting said while they had expected Melamed to reduce his role at some time, the move still surprised them. "He may be cutting back, but Leo's still gonna have his fingers in a lot of pies," one member said.