

# Business

Chicago Tribune Friday, September 6, 1985

## Melamed takes new Merc post

By Laurie Cohen

Rumors of Leo Melamed's retirement seem to have been premature. Melamed, the driving force behind the recent growth of the Chicago Mercantile Exchange, is assuming an additional title at the Merc in a move that formalizes his role as the exchange's chief strategist.

Merc directors voted Wednesday to name Melamed chairman of the exchange's executive committee, a new position. He will hold that post in addition to the job of special counsel, his title since he stepped down as Merc chairman in 1977.

The change comes 10 months after Melamed told exchange members that he planned "to step aside from the forefront of daily [Merc] affairs." At that time, he cited a desire to devote more time to his business, Dellsher Investment Co., and to his fledgling career as a science-fiction writer.

But last April, Melamed admitted in a letter to members that he had not withdrawn from exchange affairs and had retained the key post of chairman of the Merc's financial-instruments steering committee, which is responsible for development of financial products.

Melamed denied that he changed his plans because of perceptions that the Merc was losing momentum. Despite a continuing growth rate well above the rest of the futures industry, the exchange has recently made a few missteps, including losing out to rival Chicago Board of Trade in its bid for rights to trade futures contracts on a National Association of Securities Dealers over-the-counter stock index.

The Merc is now girding for its biggest head-to-head fight with the Board of Trade in four years, pitting the Board of Trade's NASD contract against the Merc's OTC stock index offering, based on a Standard & Poor's index.

"The competitive nature of our world" played a role in his decision, Melamed said Thursday. More important, however, was the void created by the departure of former President Clayton Yeutter, who left the Merc earlier this year to become U.S. trade representative.

Melamed downplayed the importance of his new title. "The name problem is one that we had recognized for years around here," he said. "Non-U.S. dignitaries are very name-conscious. The more international the Merc became, the more of a liability the title [special counsel] became because it looked as if I was a lawyer."