



Maximize Mediation Success

L.F. Bud Baechler

Minnesota ADR Roster Qualified Neutral

Overview

Mediation success is directly related to adhering to best practices, having a depth of experience related to the background of the parties and to the conflict being mediated, operating from a foundation of high values, and genuinely earning the trust of both parties, and their respective counselors.

To the point, I am a facilitative civil mediator, a qualified neutral under Rule 114 of the Minnesota General Rules of Practice for the District Courts. Although I serve related areas, my primary practice is directed to resolution of conflicts and disagreements in the general area of business.

The majority of my career has been devoted to helping clients rethink, recalibrate, adapt to change, negotiate, or achieve resolution of conflicts or disagreements. Consistently, clients have been business organizations or individuals with established reputations for quality, integrity, and performance.

Mediation techniques common to both of these cases included:

- Plan, plan, plan
- Earn their trust
- Always keep in sight of the big picture
- Beware of heuristics and biases
- Know my, and their, BATNA
- Write *their* "Victory Speech"
- Go to the balcony
- Don't reject, reframe (change the game)
- Master thyself
- Step to their side
- Use power to educate, not to escalate
- Do not react
- Lead the way ... even if they are reluctant
- Create value for each; this is NOT a zero sum game
- Don't bring them to their knees ... bring them to their senses

It is no surprise to find each case to be unique, requiring careful study and preparation. Throughout the process, the mediator must fully surrender to "being in the moment," always disciplined to listen intently with the head and the heart. Often, parties to a dispute will provide *silent insight* into their real motives, and interests, and offer subtle clues that can aid the progress to a mutually satisfying resolution.

Approach

Mediation is a facilitated, collaborative, solution-focused process, during which individuals or organizations in disagreement can be privately and jointly guided on a path upon which they can step aside of their opposing positions. Here, they may focus on their interests of importance and ultimately stand on common ground, open to the possibility of conflict resolution. The real goal of mediation is the coming together, the amicable resolution of conflict by the parties involved. Each party can expect sensitivity, patience, respect and trustworthiness from the mediation facilitator, who in turn, expects the same in return.

Values-based hallmarks of this flexible and non-adversarial process include:

- Desire to advance to “a better place”
- Genuine respect for all involved
- Honesty and integrity
- Focus on fact
- Respectful and thoughtful communications
- Openness to possibilities not yet considered
- Willingness to listen with head and heart
- Desire to avoid or resolve future conflict
- All proceedings are strictly confidential unless agreed to otherwise

As part of preparation, invite the parties to simply decide to make an earnest, good faith effort to thoughtfully and respectfully express their concerns and interests. Regardless of the factors that might have led to the current state of disagreement, enable them to see and appreciate that they have an opportunity to look forward, and embrace a positive, constructive, and confident attitude about finding a satisfactory resolution. And, as part of preparation:

- Meet with parties, and their counsel as appropriate, to clearly outline the process.
- Ask them to put their thoughts to paper, and to define the conflict/disagreement as they see it.
- Imagine, and commit to paper, the conditions that could lead to resolution and agreement.
- Invite them to see the conflict from the other party’s perspective.
- Describe possible solutions that could satisfy each party.
- Prepare them to work together to arrive at a satisfactory resolution and agreement.

Benefits of mediation include:

- Lower cost and less time compared to resolution through standard legal channels;
- Preparation, proceedings, and terms of resolution are strictly confidential;
- Parties to the conflict have greater control over the process and the resolution;
- Because the parties work together, compliance with the mediated agreement is high; and,
- As a neutral facilitator trained in working with difficult situations, the mediator helps the parties “think outside the box,” move from positions to interests, and see a broader spectrum of possible solutions to the dispute.

“Discourage litigation. Persuade your neighbors to compromise whenever you can. Point out to them how the nominal winner is often a real loser — in fees, expenses, and waste of time.” - Abraham Lincoln

Biography

Bud Baechler is married to Becky. Together they have four daughters and reside in Prior Lake and Winona, MN.

In his profession as a business advisor, Bud specializes in facilitation, mediation, and negotiation. Within this specialty, he frequently serves as facilitator, advisor, and coach, guiding the processes of business planning, development of the leadership team, mediation, dispute resolution and internal and external communications.

Known for a comfortable approach that earns the trust of involved parties, Bud has practiced executive and leadership facilitation with for-profit, non-profit, privately held and public organizations, several of which are multi-cultural and have an international presence. His particular focus is on helping organizations advance through difficult or challenging periods of culture recalibration, dispute resolution, and inter and intra-corporate negotiation.

Interests include family, fishing and boating, wilderness backpacking, biking, travel, major league sports, amateur radio, computers, and gardening. Bud is the founder or co-founder of several businesses, and is involved in community service.



L.F. Bud Baechler

“Facilitation that is values-based and outcome-oriented, helps people focus on interests rather than positions, and enables them to achieve agreement.”

1968 – Founded Universal Audio / American Gramophone – Commercial audio and video design company, professional recording studio, and pro-audio manufacturer’s rep (sold)

1973 – Founded *mediawërks* – strategic marketing communications company (sold)

1991 – Founded KHME 101.1 FM – Commercial FM radio station (sold)

1994 – Co-founded Hiawatha Broadband Communications, Inc., a national broadband provider

1996 – Founded AV Krëw – Corporate multi-media events production company (sold)

2002 – Co-founded Global Market Direction – Business consulting in the Asia Pacific Region

2003 – Startup team member for PlastiComp, Inc. – A global hi-tech plastics technology company

2003 – Led the startup of the Minnesota Marine Art Museum – A world class fine art museum

2005 – Founded Prior Corporation – Business advisory service based in Minneapolis, MN

2005 – Joined Jack Hodnett & Associates – Development Consultants

- Board affiliations:

Director - Hiawatha Broadband Communications, Inc. www.hbci.com

Chairman retired - Minnesota Marine Art Museum www.minnesotamarineart.org

Chairman - PlastiComp, Inc. www.plasticomp.com

Director - Saint Therese Southwest www.sttheresesouthwest.com

- Previously served the following (partial list) as a business advisor:

American Marine

BroadBand Interactive TV, Honolulu

Cargill

CodaBow International

Dura-Tech Industries

EMD Associates, now Benchmark Electronics

EVI Audio (Electro-Voice, Altec-Lansing)

Fastenal Company

Global One, Asia-Pacific Region

Grain Millers Canada Corp.

Highland Bank

IBM

La Crosse Milling Company

La Crosse Technology

Markquart Family of Dealerships

Minnesota Marine Art Museum

Saint Mary’s University

Sprint Hawaii

Sprint West Area

St. Croix / Knitcraft

Winona State University

Yamaha International Corporation

- Education and Professional Development

Cotter High School

Winona State University

Mankato State University – Mediation and Conflict Resolution

Harvard University Law School – Program on Negotiation

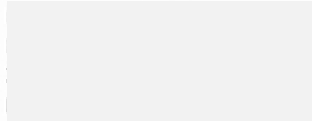
Minnesota Ninth Judicial District – Qualified Neutral under Rule 114 of the Minnesota General Rules of Practice



GRAIN MILLERS, INC.

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Phone: (952) 829-8821 Fax: (952) 829-8819

June 6, 2013



At the request of Mr. Lester (Bud) Baechler, I am writing to both introduce Bud and to heartily recommend that you and your associates strongly consider adding him to your team's Alternate Dispute Resolution Committee agenda.

I have known and worked with Bud for well over 20 years and have collaborated with him on numerous projects, both large and small. Not only does Bud possess a solid, multi-faceted business background, his excellent, gently persuasive communication style rapidly moves a group towards consensus.

Bud possesses a unique ability to examine a problem or issue from all perspectives; gently examining the challenge from all sides, somewhat akin to slowly but deliberately working a Rubik's cube like puzzle. This open-minded but persistent approach rapidly builds trust amongst participants from diverse backgrounds, identifies common ground for all involved and facilitates the effort to discover new, innovative solutions.

Bud would be a superb addition to your team.

Regards,

Rick L. Schwein
Sr. Vice President
Grain Millers, Inc.
President
Grain Millers Canada Corp.

Kent A. Gernander
28589 County Road 4
Rushford, MN 55971

June 10, 2013

[Redacted]
Dear [Redacted]

I understand Bud Baechler has offered his services to your firm and clients, and I am writing at his request to relate my experiences and observations of his work with other clients.

I have been a practicing lawyer with the Streater & Murphy firm in Winona for more than 40 years. During much of that time I have known Bud as a friend, occasional client and frequent collaborator in advising common clients. We have served as directors of two business corporations and a nonprofit museum, and Bud has been an advisor to several of my business clients. His services have included strategic business planning, leadership mentoring, succession planning, and general business advice.

For many years, Bud owned and operated successful businesses, principally involving broadcast media and public relations. He negotiated deals, including sales of the businesses. As a businessman he was considered astute and knowledgeable about both technical and business matters and adept at managing relationships.

Applying some of his own accumulated experience and knowledge, he began several years ago to consult with other business owners and managers. I have had several opportunities to observe his consultations and services. Some examples:

- Bud and I and two others constituted an informal board of advisors to a local business closely held by two families and a company ESOP; we met regularly with the owners to consult on business matters and succession planning, and ultimately on the merger of the company with a NYSE company.
- Bud helped to establish and fund an early communications consortium of Winona government and education institutions. The venture later became a regional provider of voice, video and data services, of which Bud and I continue to be directors.
- Bud conceived and promoted the establishment of a museum to house a large private collection of marine artworks, and served as its first board chair.
- Bud facilitated strategic planning for a local bank of which I am a director.
- Bud was an advisor to the co-owners of a LaCrosse business, and eventually helped to mediate and settle a dispute that led to their separation.
- Bud helped to organize and fund a locally-based plastics business; he has been a director and consultant and currently chairs its board.

I have observed Bud to be well-informed and prepared for his undertakings. His observations and advice are reasoned and respected. His clients consider him a trusted advisor. He has also been a successful facilitator and mediator.

I hope these observations will help you to decide whether Bud's services may be useful to your firm or its clients.

Sincerely,



Kent A. Gernander



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Phone 414.271.6560
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Peter L. Coffey
Direct 414.225.4984
Email plcoffey@michaelbest.com

September 27, 2011

Mr. Bud Baechler
6346 Conroy Street NE
Prior Lake, MN 55372

Dear Bud:

You have asked that I write concerning my willingness to recommend you to individuals interested in reaching a resolution of their disputes out of court. I am happy to do so. Please feel free to use this letter as an endorsement and of course tell them they can call if I can offer further insights into your skills.

While I don't spend my time in court, in my role of helping people grow companies, disputes are an unfortunate fact of life. Smart individuals realize that the sooner they can resolve them, the faster they can refocus on the tasks at hand. They realize while the dispute is simmering, the focus is on "cutting up the pie" instead of growing it. We also know the personal costs of conflict.

As you may know I've been privileged to teach a Business Law Negotiation seminar at Marquette Law School for a number of years. To do that well I spend a fair amount of time reading and working in the area.

Your experience as a business owner and advisor to many firms over the years gives you great context to how teams and firms work. That perspective helps you understand that emotion must often be overcome before a logical solution can be implemented.

You are also a good listener. Anyone in a mediation needs to feel they've had an opportunity to fully communicate their side of the story. You don't offer answers, don't interrupt, but have the ability to "seek to understand" and keep the story flowing with strategic questions.

I've also been impressed as to how you are able to help individuals get beyond the immediate problem or the historical, "I've been wronged" or "I'm doing this for the principal of it". You are able to help them focus on what their long term objectives are. Experience has a way of teaching us that "winning" the immediate dispute may come at a cost far greater than a resolution where the parties each part with something out of the process.

Bud, I like your intellect, energy and willingness to find a way. I'm pleased that you've made yourself available to others to see the benefits of understanding and resolving their disputes in a faster and more holistic way.

Sincerely,

MICHAEL BEST & FRIEDRICH LLP

Peter L. Coffey

A handwritten signature in blue ink that reads "Peter Coffey". The signature is written in a cursive style and is positioned over the typed name "Peter L. Coffey".

michaelbest.com



October 10, 2011

Mr. Bud Baechler
6346 Conroy St NE
Prior Lake, Minnesota 55372

Hello Bud,

I hope this letter finds you and Becky both doing well.

The reason for the letter today is to remind you that it has been ten years since the completion of my buying 100% stock ownership in DuraTech Industries. In fact this coming January we make the final note payment.

As I look back on the extended negotiations, I could not help but remember your incredible help in putting the sale agreement together. As you remember, there was a very toxic relationship between Mr. Bentz and myself. In fact at the time I would not have been surprised to see the situation end up in court.

It was at that time that you offered to help mediate the entire transaction. For that I thank you. Not only did that settle things down, you were able to help Mr. Bentz feel comfortable in the role you were playing, as well as help him understand any other alternative would have been worse for both parties, but even more so for his situation.

As the agreement was being completed, Mr. Bentz had gained enough respect for you that he thanked you for your help. For my part there was not only a feeling of appreciation, there was also a sense of relief.

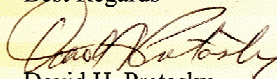
Upon the completion of the transaction it was obvious to both of us that the morale of the entire management team at DuraTech Industries was at an all time low. At the time you then suggested that we take a couple of days to do a team building exercise with the top management. Since we were going to do this at my cabin up north, you called it The Summit at Logway.

During that two day session you took the role of moderator and did an amazing job getting each one of the managers involved in how we should approach the future, determining changes to be made and setting goals to achieve. The entire group left the north country 100% focused, knowing that it would be their leadership that would build the company for the future.

Bud, today if you want to see where the company has gone, just check out duratech.com on the internet. In doing so, please realize you were instrumental in us accomplishing our goals.

Bud, thank you again for everything you did to make this happen!

Best Regards


David H. Pretasky
Chairman

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Peter J. Bentz
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Sun City West, AZ 85375
623-556-1622 home office
480-459-7777 cell

October 5, 2011

To Whom It May Concern,

I have known Bud Baechler in a variety of capacities for almost 15 years. Bud and his company, Media Werks, provided Strategic Planning consulting services to my company, Dura-Tech, Inc., in La Crosse, WI, for several years. He was also a valued member of the company's Board of Advisors.

His most important professional contribution to both my business partner and me occurred when he was retained to provide mediation services to what had become a most difficult and complex financial dispute resulting from a proposed transfer of ownership in our company.

Bud proved to be highly effective in negotiating a settlement agreement between us partners that resulted in a full resolution of our disputes. He did a terrific job of communicating with both of us partners using his exceptional interpersonal and organizational skills to keep us on track, our emotions in check, moving in a positive direction. The process he employed proved to be an efficient, as well as cost effective alternative to time consuming, costly litigation that resulted in a sense of greater satisfaction to my partner and me.

Bud Baechler would be a tremendous asset to anyone seeking to employ the professional ADR services of a qualified "neutral". I recommend him to you without reservation. If you have any questions, please do not hesitate to contact me.

Sincerely,



Peter J. Bentz
President
Bentz Consulting, LLC

Service and Fee

Basic Fees

Upon definition of an expected body of work, a written proposal of services and schedule, disclosing anticipated fees and expenses, will be provided to each party, and their respective counsel if so requested. Each party is responsible for one-half of all fees and expenses and will make full payment in advance of service. If the mediation engagement is initiated by a law firm, the firm will be responsible for payments according to these terms. If, in the course of the mediation process it is discovered that a greater or lesser level service is required, appropriate fee adjustments will be reported for prompt reconciliation.

| | |
|-------------------|--|
| Administration | A non-refundable administrative fee of \$200 is charged to each party prior to the start of mediation. |
| Incidental Costs | Expected cost for meeting facility, travel, duplication, outside services, and the like will be described and included in the written proposal. Unexpected or additional such costs will be immediately detailed and reported for prompt reconciliation. |
| Method of Payment | Advance payments by credit card, cash, or cash equivalents are accepted. |

L.F. Bud Baechler
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References available on request.

I destroy my enemy when I turn them into my friends. –Lincoln