

[21099001]

Or he might have to incur a huge expense of either buying Mr. Icahn's stock, possibly at a premium, or paying stockholders a special dividend partly because of Mr. Icahn's pressure.

[21099015]

With his recent purchases of USX common stock, Mr. Icahn shattered a three-year-old, unwritten standstill agreement with Mr. Roderick.

[21099016]

In 1986, Mr. Roderick adroitly dodged Mr. Icahn's first bullet after the takeover specialist had built up an 11.4% stake.

[21099018]

And he managed to fend off further advances and even strike up an unlikely friendship with the interloper.

[21099019]

Over dinners at New York's Sky Club and Links Club restaurants, the steel executive and the big investor talked steel, international trade and thoroughbred horses.

[21099020]

Mr. Corry, who has boned up on corporate raiders by reading T. Boone Pickens's autobiography, had hoped the detente would continue.

[21099021]

He was shocked, associates say, to learn of Mr. Icahn's new takeover threat.

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(Both men declined to be interviewed for this article.)

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But the fiercely competitive Mr. Corry quickly showed he's no pushover.

[21099024]

He huddled with directors at a special meeting two weeks ago and tried to block his opponent.

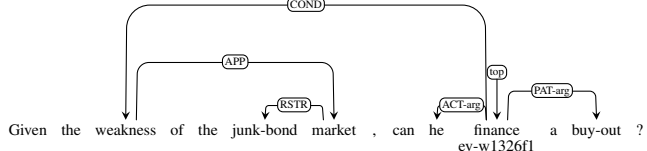
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Although the board believed that Mr. Icahn is more interested in talking the stock price higher than acquiring USX, it adopted a poison-pill defense, to be swallowed if anyone amasses a 15% stake.

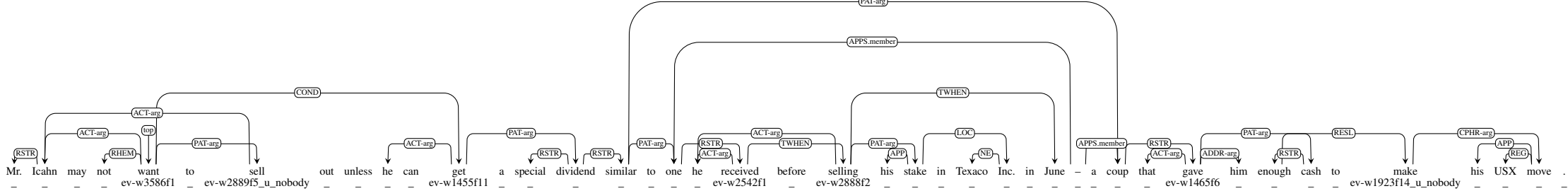
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Now, it's Mr. Icahn's move.

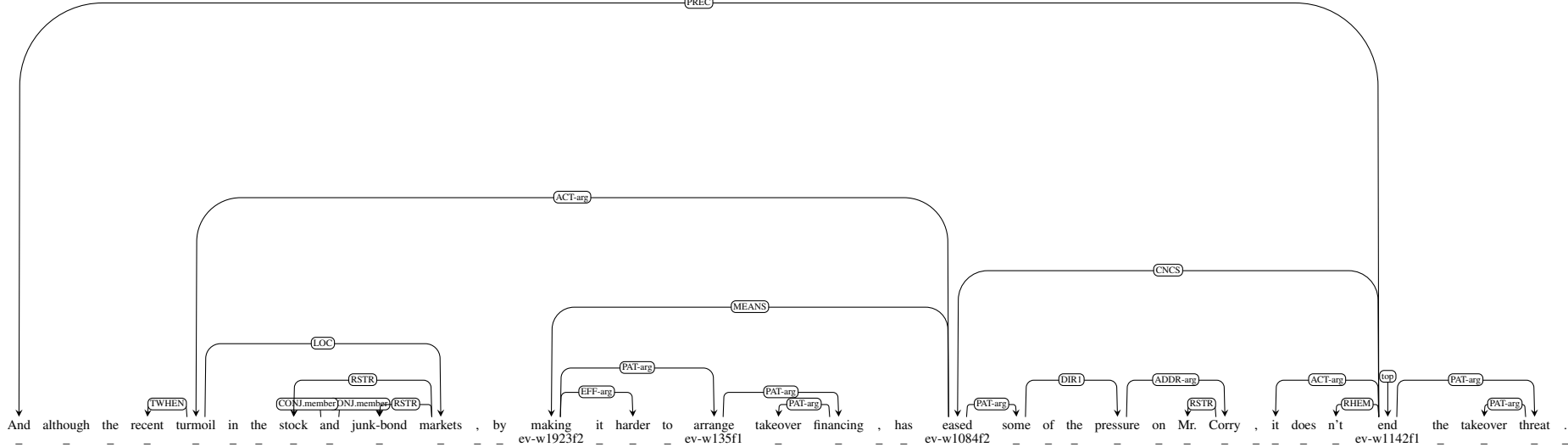
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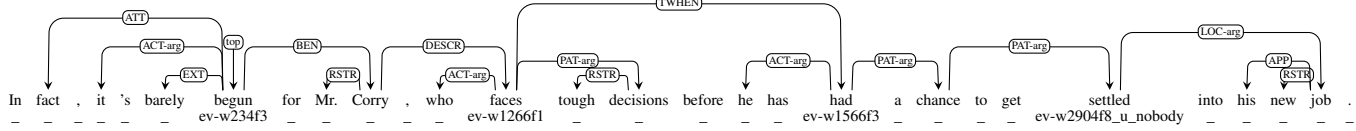
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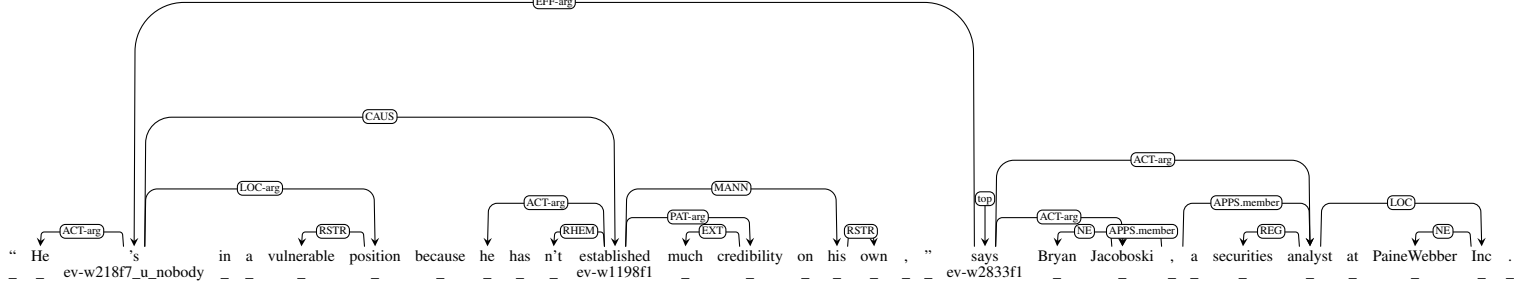
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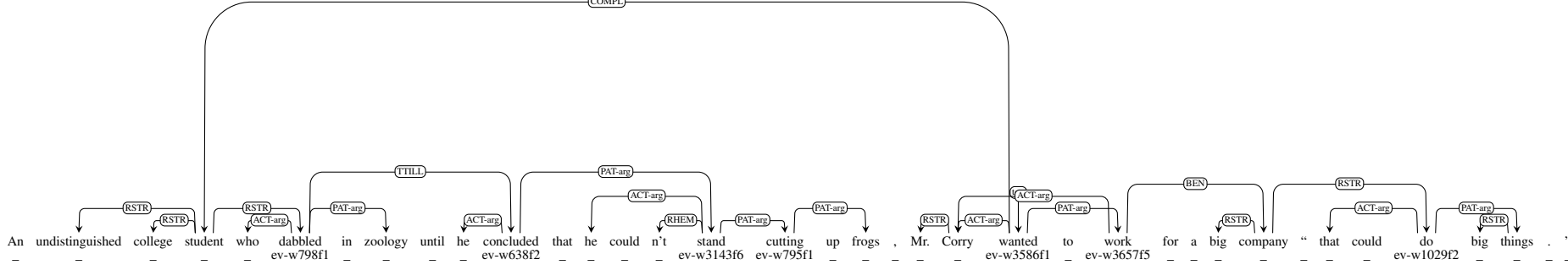
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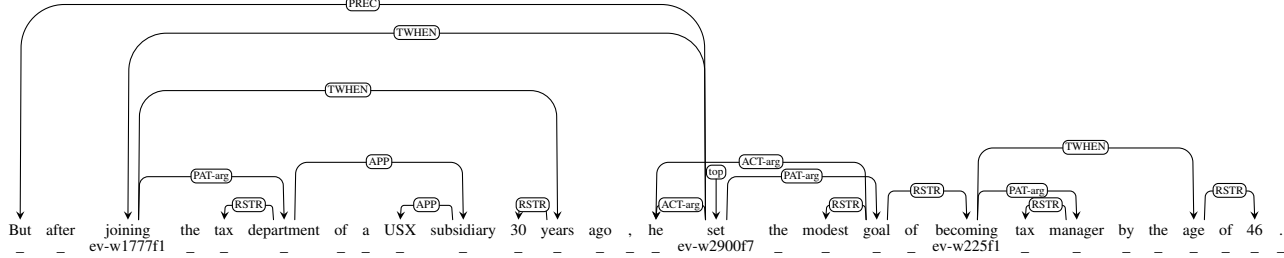
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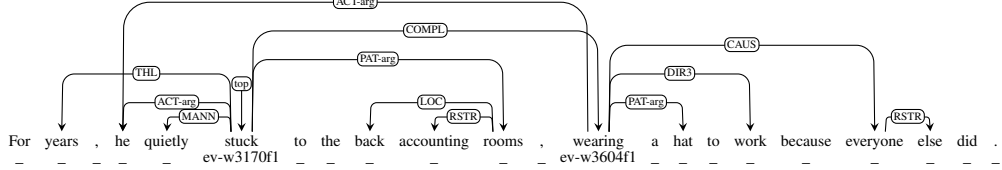
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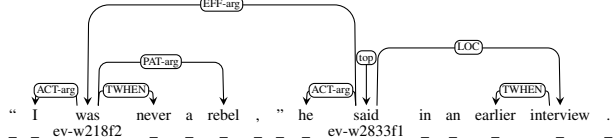
[21099036]



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[21099038]



[21099039]

“ I do n’t think most of the people that have been around me would ever say they ’ve seen me pound the table or get angry . ”

[21099040]

Yet , the unassuming Mr. Cory helped chart USX ’s transition from Big Steel to Big Oil .

[21099041]

He served as Mr. Roderick ’s front man in tense negotiations for the 1982 purchase of Marathon Oil for \$ 5.9 billion .

[21099042]

Nevertheless , Mr. Cory , once named chief executive , did n’t waste any time distancing himself from his former boss , who still has an office on the 62nd floor of the USX tower in Pittsburgh .

[21099043]

Soon after taking over last June , Mr. Cory rescinded a pay cut imposed on clerical workers , a move that Mr. Roderick had n’t made in spite of improved earnings .

[21099044]

Mr. Cory also ruled that all board meetings would be held in Pittsburgh instead of New York or Findlay , Ohio , Marathon ’s home .

[21099046]

One former executive says , “ Nobody wanted that deal inside USX except Dave Roderick , ” who was a hunting and fishing buddy of William L. Hutchison , chairman of Texas Oil & Gas .

[21099047]

The executive recalls Mr. Cory whispering to him and others , “ Remember , this was Dave ’s deal . ”

[21099048]

What miffed many USX executives and shareholders was that the acquisition , for \$ 3 billion of stock , doubled the USX shares outstanding and considerably diluted them .

[21099049]

What ’s more , the takeover occurred as natural-gas prices were falling and just as Texas Oil & Gas reported its first annual loss in 28 years .

[21099050]

Mr. Cory expected the Texas Oil & Gas sale to delight Mr. Icaim by addressing his concern about boosting shareholder value .

[21099052]

That would leave USX with Marathon , its steel mills and its diversified business segment , which includes , among other things , mineral and transportation products .

[21099053]

Some speculate that Mr. Cory would agree if he could find a buyer at the right price .



