

HD Stokes welcomes **China** embrace

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RYAN Stokes is described by Seven executives as a “fearsomely” hard worker who usually arrives at work at about 6am.

An enduring joke from his previous role as chief executive and chairman at Pacific Magazines is that he was always in the office so early that other employees started leaving their cars in the parking lot overnight to beat him in.

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Reflecting on his work ethic, Mr Stokes said “success usually comes from a degree of capability, luck and a lot of hard work. The hard work part is pretty consistent.”

Over the course of his career, Mr Stokes has not had mentors in the traditional sense, but has admired character traits from people he has interacted with along the way.

And the chief operating officer of Seven **Group** Holdings has always followed the guidance of his father closely — although at times the advice is given indirectly.

“I work very closely with Kerry and he’s a very natural leader. In that context it means you get direction without necessarily being given direction — you interpret,” he said.

“First and foremost, it’s a good working relationship and I’m lucky to have that with Kerry. It’s something I’ve always enjoyed.

“At the end of the day, he’s the boss, he’s the chairman, that’s the structure. Irrespective of family, I respect that at the end of the day, professionally, he’s in charge.”

Mr Stokes travels extensively for Seven’s mining and construction equipment franchise, WesTrac. Its Caterpillar franchise has its head office in Peoria, Illinois, and a base north of Beijing. This year Mr Stokes has visited **China** four times. He has been involved with Seven’s joint venture with the Shanghai Media **Group** — a digital outdoor display **business**.

Regarding his experience working in the region, Mr Stokes is acutely aware of the impact government-to-government relations can have on doing **business** with **China**. With this he is fairly critical of how the former Labor government managed Australia’s relationship with **China**.

“From **China**’s perspective, it would seem that we’ve been very unwelcoming because of the amount of scrutiny that comes from investment from **China** where the same scrutiny is not placed on other countries’ investment in agricultural resources,” he said.

“There’s probably been a perception in **China** that we haven’t appreciated its contribution to our economic prosperity.”

While the intricacies in the relationship had not affected Seven’s **business**, Mr Stokes said it was certainly helpful that the Abbott government had improved Australia’s relationship with **China**.

He expects the free-trade agreement, signed in Canberra last month, to open up new opportunities for Australian **business** and, more importantly, he said it would symbolise that Australia was openly engaging in two-way trade and investment with **China**.

"The current government has done very well in extending and strengthening those relationships on multiple levels and it's a very positive opportunity for Australia," he said.

"I think we should be very welcoming of **Chinese** investment in a number of sectors.

"We certainly sense the enhanced relationship helps our relationships up there."

Mr Stokes said there were increasing new media and digital opportunities in the **China** market and throughout Asia.

"There's been a number of successful Australian investments up there. Telstra and (employment website) Seek are two examples of investors who have participated in those online **business** and done very well," he said. "I think that as time goes forward opportunities in those new media environments will open up."

Opinionated, fiercely private and cautious, Mr Stokes, who studied commerce at Curtin University, already has a fairly extensive work history with a sharp career trajectory.

Senior executives describe Mr Stokes as "hard" in a **business** sense, having cut his teeth during tougher times, and not lacking in confidence or determination.

However, unlike many media executives, he is known for being unpretentious.

So much so that when an American ex-girlfriend, who was not aware of Mr Stokes' background, invited him to spend the holidays at her family's two-bedroom apartment in the ski town, Beaver Creek, he did not initially mention the fact his father owned a multi-**million**-dollar ski lodge in the same place. "He is unfailingly polite," a colleague says.

After beginning his career at Merrill Lynch's investment banking division in New York, Mr Stokes joined the private family **firm**, Australian Capital **Equity**, in 2000, where he was mentored by loyal Seven advisers, including Ken Parker.

Mr Stokes has worked across the **business**, as a director of WesTrac, executive director and then chairman at Pacific Magazines, a director at James Packer's Consolidated Media Holdings and chief executive of ACE.

For the past 2½ years, he has been chairman of the National Library of Australia Council — a role he loves and takes seriously. He's an avid reader when he has time, mostly consuming **business** and history books. His personal interests are vast and he easily moves from a discussion on finance or politics to mining or weighing the finer points of newsroom integration, reflecting Seven **Group** Holding's varied array of interests.

He has a particularly close relationship with his brother, Bryant, even swapping homes at one time.

Bryant is known as a salesman while Ryan is more analytical, but with a good sense of humour. He's very responsive on email and, as is the way among Seven executives, he enjoys a witty one-liner.

Among his close friends are federal Liberal MP Josh Frydenberg, hotelier Justin Hemmes, stockbroker Charlie Aitken, John Symond's nephew, James Symond, UBS investment banker Matthew Grounds and fund manager Julian Lavigne.

Mr Stokes said he also had a good relationship with James Packer and Lachlan Murdoch.

The trio have recently announced a joint venture to invest \$20 **million** in peer-to-peer lender SocietyOne, which offers unsecured personal loans for creditworthy borrowers.

Mr Stokes said Mr Packer, who approached him with the concept, could easily have invested in the scheme on his own but he was pleased to be a part of the venture with two of his long-term friends.

The idea originated in the US where it has achieved considerable success by removing the intermediary — banks — when connecting borrowers to investors. He acknowledges it will be disrupt the banking industry but doesn't expect it to seriously damage the big four banks.

"Their industry is strong enough, so we'll take advantage of some of the **bread** crumbs that fall from the table," he said.

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