

# Young, moneyed and driven

**S**o Dad's worth a billion—or more. What's that like? Some kids surely lead the jet-set, rich-kid life, à la Mohamed Khashoggi, but many billionaire kids appear to have business in the genes, sweating to persuade Dad and Mom that they are fit to fill their shoes.

The working rich kids share some common traits. Many have been educated in the U.S. They're comfortable with new technology and new management styles. They admire their fathers, but realize it's futile to try to copy their precise styles.

Here's what they have to say about their lives and their work.

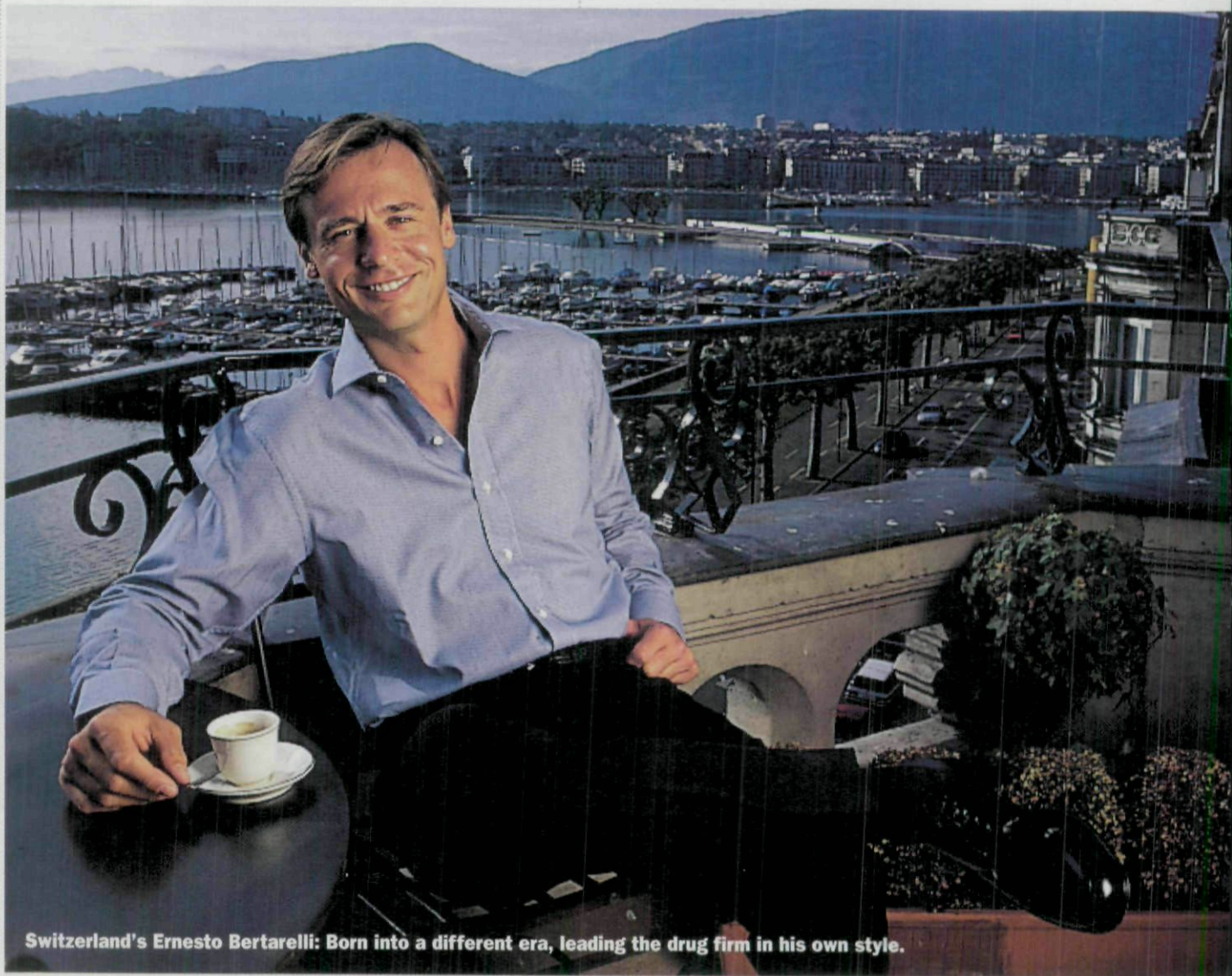
## Different leaders, different times

**"I fundamentally believe people are good. He fundamentally believed people are wicked."**

This from Ernesto Bertarelli, 32, on his late father, Fabio. As an officer in the Italian navy, Fabio was captured by German troops, sent to a concentration camp, escaped, was imprisoned by the Russians and escaped again. In 1965 Fabio took over a \$10 million Italian drug purification company, moved it to Geneva and turned it into an \$864 million (sales) biotech company, Ares-Serono, the world's leader in infertility treatments.

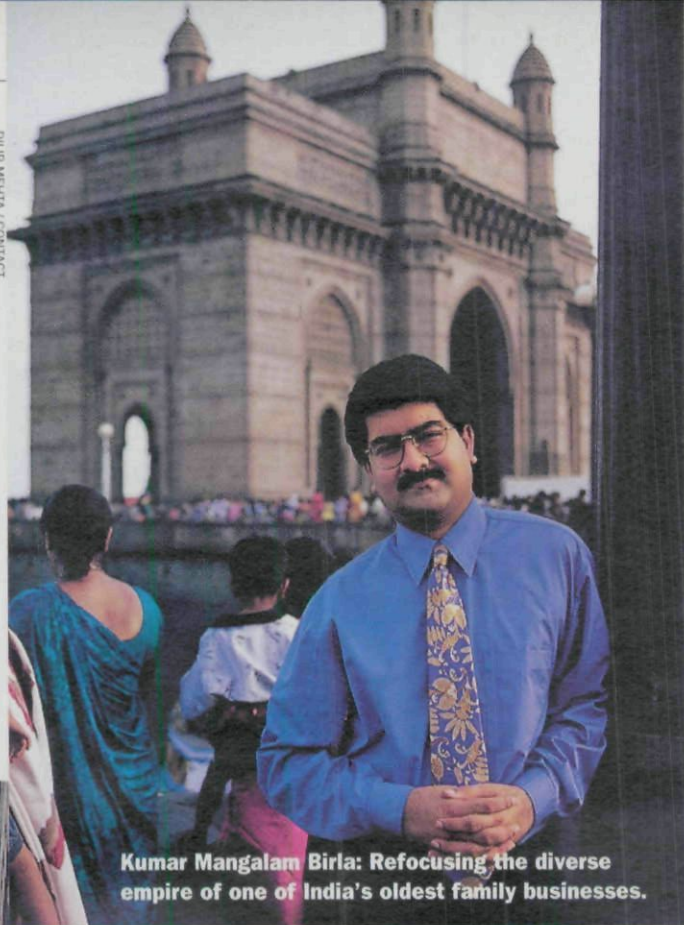
"His world was one where you couldn't trust anyone, so his style was about control," says the young Bertarelli of his father. "Mine is to make sure that everyone contributes as much as possible."

Ernesto officially took over as chief executive in January 1996, as his father was battling cancer. Fabio, 73, died two years later. Out went the flat organization Dad



Switzerland's Ernesto Bertarelli: Born into a different era, leading the drug firm in his own style.





**Kumar Mangalam Birla: Refocusing the diverse empire of one of India's oldest family businesses.**

had created, where 40 people reported to him. In came organization according to function, something Ernesto picked up while at Harvard Business School.

"[Now] we are able to fight several battles at the same time," Bertarelli tells *FORBES* during a break at his fifth reunion at Harvard Business School. "That's why in 1996-97 we could register five products in the U.S. simultaneously. We never would have been able to do that."

—CAROLINE WAXLER

## Breaking the mold

**"Our focus is on consolidation, and we have redefined our criteria for investment. Do we have a sustainable competitive advantage here? Can we become a dominant player?"**

India's Kumar Mangalam Birla, 31, heads the Aditya Birla Group, whose 38 companies run the gamut from commodities to mutual funds to telecom. Whereas his forebears collected businesses the way some people collect stocks and mutual funds, young Kumar is engaged in sorting out Birla's potential winners from its also-rans.

Earlier generations of Birlas, in a more socialistic India, had gone into just about any business for which the \$5 billion (revenues) group could get a government license. Kumar has revisited each company and has cancelled \$2 billion in planned investments in steel, petrochemicals, paper and fiberglass.

"As times change, organizations, too, have to change," he says. The image-conscious Birla has devised a corporate logo and increased openness to investors and analysts by creating a corporate communications department—a far cry from the low-profile corporate image pursued by his dad, who died of cancer three years ago, propelling Kumar into the top spot at an unexpectedly early age.

—NAAZNEEN KARMAI

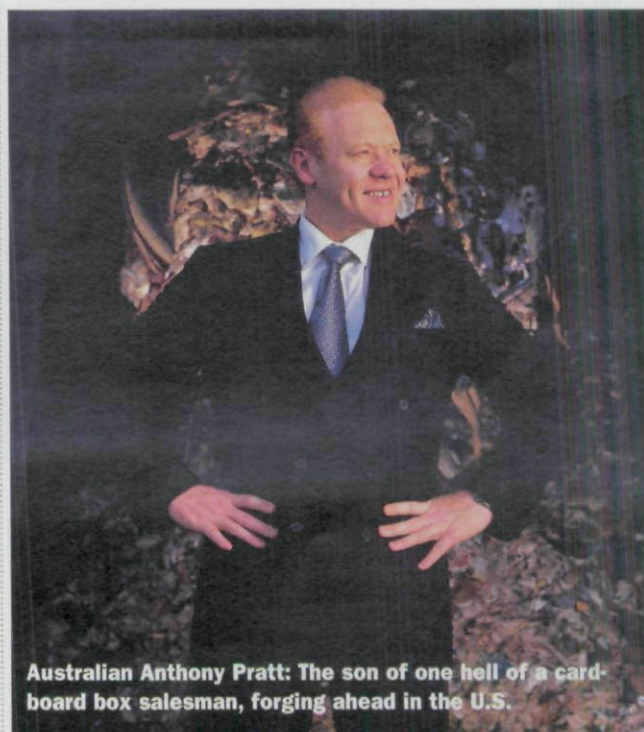
## Paper persuasion

**"A lot of other people feel like victims having to work in their families' businesses, but I feel extremely lucky. It's like I won the lottery,"**

confesses Australian Anthony Pratt, 38, to *FORBES*, after a tour of his family's recycling plant on Staten Island, N.Y. Pratt oversees that plant and 29 other cardboard box and recycling plants—the U.S. operations of family-owned, \$1.3 billion (revenues) Visy Industries, the world's largest privately owned paper company. Back in Melbourne, Australia, his father, Richard, 62, still calls the shots.

Anthony grew up living and breathing Visy Industries. The oldest of three and the only son, he joined his dad on sales calls when he was 7 years old. But after university he went to U.S. consulting firm McKinsey & Co. in Sydney. After two years there, dad asked Anthony, then 26, to work for Visy. At first young Pratt was not thrilled with the request. "But sometimes parents know what's best for their kids," he says.

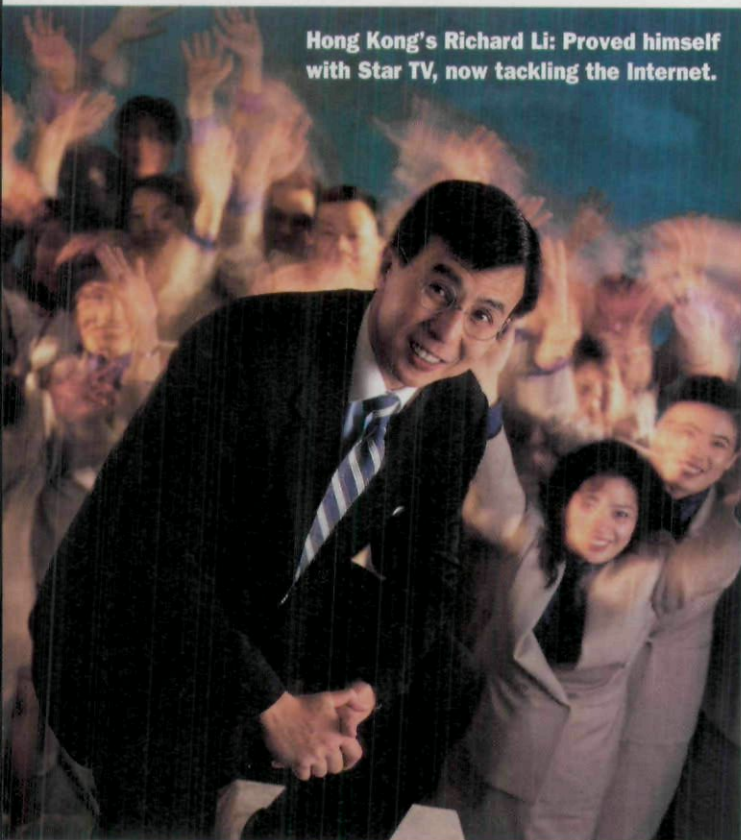
Why so lucky? "My dad has been a great role model



**Australian Anthony Pratt: The son of one hell of a cardboard box salesman, forging ahead in the U.S.**



**Hong Kong's Richard Li: Proved himself with Star TV, now tackling the Internet.**



JOAN BONIN

because he's probably the hardest working person I've ever met," says Anthony. "I would characterize myself as someone who takes one bold step at a time. My father is someone who can do a lot of different things simultaneously. He's in perpetual motion." —CARRIE SHOOK

## A business of one's own

**"I launched Star tv before my 23rd birthday. Although in the long term I knew it wasn't a good idea to sell [it], I needed to give myself a little bit of credibility so that I didn't have to run 25% harder just because of my age,"**

Richard Li, 31, told FORBES. Li launched Star TV, Asia's first satellite-delivered TV service, in 1990 with an initial investment of \$125 million. Three years later he sold a majority stake to Rupert Murdoch's News Corp., followed by the rest of it in 1995, for a total \$950 million.

It was the shadow of his father that made Li so eager to show he could make a big profit. His dad is Hong Kong property mogul Li Ka-shing, who, with \$10 billion, is one of Asia's richest men. Startup capital for the satellite venture was reportedly courtesy of dear old Dad, but execution was pure Richard. He cites Jerry Yang and David Filo of Yahoo! as businessmen in his generation he admires: "They created a Web site on a computer at the university and conceived a business concept."

Li's next solo venture? In March he announced plans for a digital media company in which Intel has invested an estimated \$10 million for a 40% stake. The company will provide high-speed Internet access and other information services across Asia through TVs and personal computers. Funding from Dad? Probably. Effort? All Richard.

—KATHERINE BRUCE

**Suzan Sabanci: Mother of two and top executive at Turkey's biggest private bank.**



GUILLERMO DE MICHEL

## Breaking the barriers

**"Being a Sabanci doesn't make you a business leader. It doesn't mean you can run the business,"**

says Suzan Sabanci, 33, of her role in the prominent Turkish business family. She and 13 of her cousins had to prove themselves to advance in the ranks of the 50-odd companies that make up the Sabanci group. Sabanci, who has worked at Akbank—Turkey's most profitable bank—since 1989, now serves as managing board member for treasury operations, the highest-ranking woman at the bank. And she's being groomed to take over for her father, Erol Sabanci.

Sabanci started to prove herself by going to school overseas. She got an undergraduate degree in London and an M.B.A. from Boston University. Then she spent



two years at Dresdner Bank in Istanbul as a management trainee.

As one of the few high-ranking female executives in Turkey, Sabanci sees herself as a role model for other working women. But, of course, not many of them have rich and supportive fathers. —JULIETTE ROSSANT

## Getting cultured

**"In my case and my brothers', the best school we've had for business is my father,"**

explains Marco Antonio Slim Domit, 30, by phone from Mexico City. When dad is Carlos Slim Helú, Latin America's wealthiest man, no doubt he's got plenty to teach. "More than specific decisions or specific thinking, it's a culture of working," continues the young Slim. "We've learned to always have a low-cost operation, not a spending culture; to always try to be close to customers [to meet] their needs; to have a very good management team in each company." These companies include Grupo Carso, Mexico's largest industrial conglomerate, Grupo Financiero Inbursa, the country's most profitable financial group, and Carso Global Telecom, which controls Mexican phone company Telmex.

—KERRY A. DOLAN

## From the bottom up

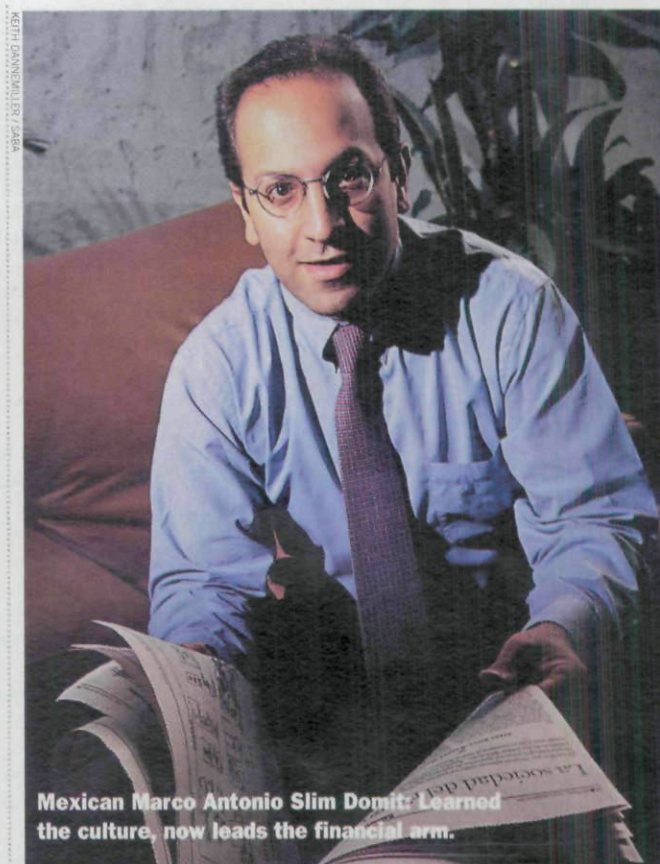
**"I was driving a semi truck for eight hours a day. And I was selling motor oils and diesel fuels and lubricants for the next four hours,"**

says Peter Huntsman. He was working for Dad's company, but earning every penny he made. Now 35, Peter's the president of \$5 billion (revenues) Huntsman Corp., the chemicals, plastics and packaging company built by his father, Jon, 61, in Salt Lake City, Utah.

Peter's training started early. "Dad always exuded so much excitement and enthusiasm and confidence, even when I didn't know exactly what he did. Whenever we'd visit a plant [Dad] would be speaking to all the plant people, and he'd always call on the kids to come up and speak. I remember just being mortified," says Peter. But the training served him well. "In the position I'm in now, I address thousands of plant people per month. It's second nature."

And the next generation? Says Peter: "I actually took my son on the last round of road shows we did. At 11 years old he was right in there, asking 'What does EBITDA mean?' and so forth. Heck of a lot sooner than I ever did."

—K.A.D.



Mexican Marco Antonio Slim Domit: Learned the culture, now leads the financial arm.



Peter and Jon Huntsman Jr.: Dad trained them young. Now they're top management at his Utah-based firm.



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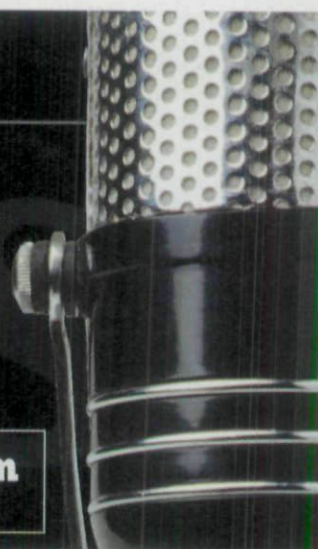
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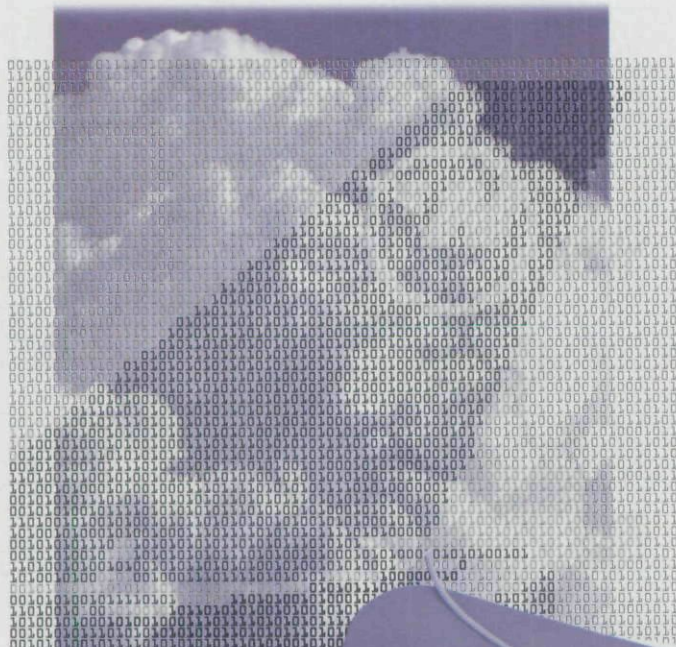


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