EUROPE

ITALY

By Marc E. Babej

Leonardo Del Vecchio

"Signor Nessuno"—Mr. Nobody. That's how the Italian press described low-key Leonardo Del Vecchio a few years ago. But the Del Vecchio family's 73% stake in Luxottica Group S.p.A., the world's largest mid-to-upmarket eyeglass frame manufacturer, was recently worth $1.4 billion, and that's a lot for a nobody to have.

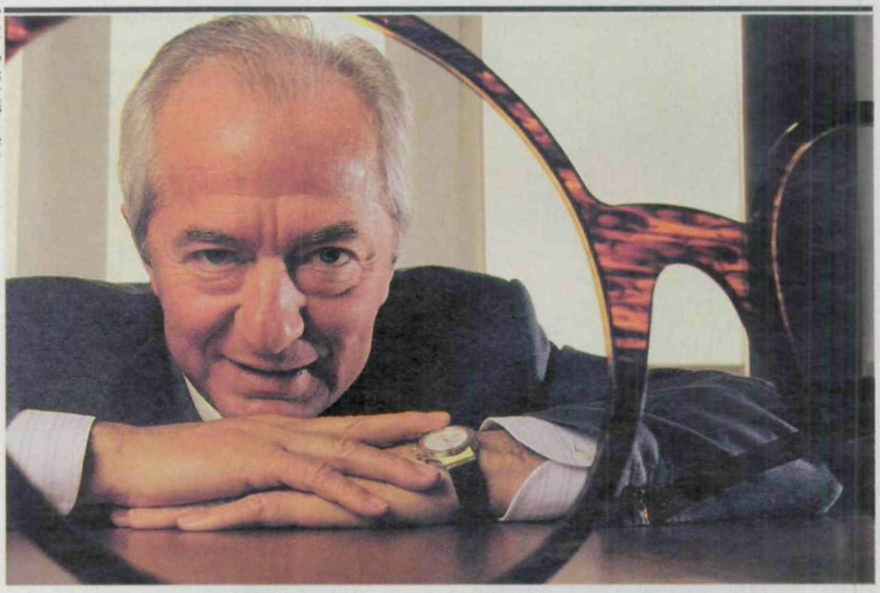
Now 59, Del Vecchio was raised in a Milan orphanage. He worked his way through design school as an apprentice in a factory that made tooling and molds for everything from automobile logos to eyeglass frames. In 1958 Del Vecchio, then 23, opened his own molding shop. Three years later, with backing from two big customers, he moved from Milan to the small town of Agordo in the Italian Alps to start Luxottica.

Growth was steady but slow until the late 1980s, when Luxottica licensed the names of such top designers as Giorgio Armani, Yves Saint Laurent and Valentino.

In 1990 Del Vecchio listed Luxottica's American Depositary Receipts on the New York Stock Exchange. Adjusted for splits, the ADR price has increased fourfold, to a recent $33, valuing the $420 million (sales) company at $1.5 billion.

Luxottica's U.S. operations account for 44% of sales and are run by Mr. Nobody Jr.—Del Vecchio's son and designated successor, 37-year-old Claudio.

Guglielmo De Micheli/Grazia Neri



Luxottica Group founder "Mr. Nobody" Leonardo Del Vecchio

The key was signing up Giorgio Armani, Yves Saint Laurent and Valentino.

GERMANY

By David Fondiller

Simon family

The Simons own a small piece of Germany's huge beer market, but whereas the overall market is shrinking (down 6% last year), their sales are growing (up 4.7%, to $326 million). Their brand is 177-year-old Bitburger Brauerei, brewed in the Eifel Hills of Bitburg, near the French border.

A premium brand, Bitburger commands prices 20% to 35% higher than most of its competitors'; the company nets over 8% on sales, versus maybe 2% for a typical German brewer. Estimated cash flow: around $120 million a year. The brewery sits on prime land, the full value of which is not reflected in the company's financial accounts.

Last September the Simons launched an eastern German specialty beer, Köstritzer Schwarzbier, and recently took over the Schultheiss Brauerei near Koblenz, strengthening its position in the middle Rhine region. Successful new products include alcohol-free beers and low-alcohol beers.

Three family members run the business: Axel Theobald Simon, 50, is the last relative to carry the Simon name and oversees production; Michael Dietzsch, 53, handles marketing; and Thomas Niewodniczanski, 60, is responsible for finance. Estimated net worth: $1 billion.

Ströher family

Franz Ströher was a wigmaker who in 1927 bought the rights to a process that used hot curlers and chemicals to put long-lasting waves into women's real hair. Don't laugh. Today the Ströher heirs control a $1.8 billion (sales) company, Wella AG, that is the world's second-largest hair care and cosmetics company (behind L'Oréal of France).

Wella is headquartered in Darmstadt, in western Germany, and the company makes everything from shampoos and hair colors to health products and hair salon equipment.

Franz Ströher's descendants own more than 50% of Wella (worth at least $794 million) but have not been active in daily operations since the 1970s. Several fourth-generation family members serve on the company's advisory and supervisory boards. All told, the Ströhers are worth about $1 billion.

Wella's professional managers want to expand the core hair care business by making acquisitions in Italy, Spain, France, Japan and Latin America. Last year Wella acquired the hair care division of Britain's SmithKline Beecham, with sales of around $70 million, and Sebastian International in Los Angeles, with sales of $80 million.

More recently, the company announced in June that it will acquire a 91% stake in German perfume maker Muehlens (sales, $294 million), which is best known for its 4711 eau de cologne brand. The deal has been billed as Wella's largest acquisition to date.

Thomas Geiger

Karl-Ernst Vaillant
People want warm water and warm homes, and Karl-Ernst Vaillant's Joh. Vaillant GmbH delivers. But family management may have run its course.

Vaillant family

The Vaillant family has accumulated over $1 billion from people's need for warm water and warm homes. Their privately owned company, Joh. Vaillant GmbH & Co., makes heating equipment and boilers.

When plumber Johann Vaillant founded the company in 1874 in the town of Remscheid, there wasn't even a central water supply. About 20 years later Vaillant began producing heating and boiler equipment. Exports took off after World War II, and by 1955 a million boilers a year were rolling off Vaillant's line. Today half the company's $1.1 billion in sales are made abroad. Vaillant has a U.S. subsidiary in New Jersey, and recently opened offices in Hungary, Poland and the Czech Republic to complement its network throughout Europe and Turkey.

Karl-Ernst Vaillant, 59, is one of Vaillant's three managing partners and the only remaining family member in management. His brother-in-law, Franz Wilhelm, who retired in 1989, was largely responsible for the company's international expansion.

The family's other business, Küppersbusch AG (sales, $160 million), produces home appliances as well as professional kitchen and catering equipment.

UNITED KINGDOM

By Marc E. Babej

Schroder family

Founded 176 years ago, Schroders Plc. entered a second adolescence in 1980. Since then the London-based bank's stock price has multiplied about forty-fivefold. The Schroder family, which owns some 40% to 50% of the stock—worth $890 million to $1.1 billion—can thank Schroders' 63-year-old chairman, George Mallinckrodt, and 53-year-old Win Bischoff, group chief executive. Since they took the helm in 1984, the firm has grown from a struggling merchant bank worth less than $160 million to a diversified investment bank worth about $2.3 billion.

Mallinckrodt originally joined the firm in 1954 and married the daughter of Schroders' then chief, Helmut Schroder, a great-grandson of Schroders' founder John Henry Schroder. Mallinckrodt was early in deemphasizing commercial lending and building up fee-based businesses like investment banking and fund management, which now provide for the majority of Schroders' pretax profits ($294 million last year).

Within the next two years Mallinckrodt is likely to retire and Bischoff, a nonfamily executive, is in line to succeed him. On the agenda: expanding Schroders' international reach, and buying out the 50% of Wall Street investment bank Wertheim Schroder that Schroders doesn't already own.

After Bischoff, a Schroder heir may again get a chance to head the company. Earlier this year Mallinckrodt's son, Philip, resigned from CS First Boston to join a recently created international finance division at J. Henry Schroder Wagg & Co., a unit of Schroders.

GREECE

By Marc E. Babej

Costas Lemos

To the names Niarchos, Latsis and other Greek shipping billionaires, add another one: Costas Lemos.

Now in his 80s, Lemos hails from the island of Inousa. First a ship engineer and then a captain, he quietly built a large tanker fleet, then sold most of his ships in the 1980s and reinvested in stocks, bonds, oil and real estate. Said to have hundreds of millions in cash, he's worth at least $2.5 billion.

Costas Lemos spends much of his time in Athens. Son Michael takes care of most business matters from London. Lemos' two daughters, Chris and Irene, live in Athens and Switzerland, respectively.

Livanos family

With an estimated $1.7 billion fortune built on shipping in the years following World War II, the Livanoses are among Greek society's most prominent.

Following the maxim of Austria-Hungary's Habsburg dynasty that alliances forged through socially objectionable marriages are preferable to

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