

# Blood, sweat and ink

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When Bill Gates walked into the old BRW offices on Little Collins Street, in Melbourne, there was no one on hand to greet him. The young Microsoft founder had called to see senior writer Tony Thomas - but Thomas was a busy man. He had forgotten the appointment. He was out to lunch, and he deserved it. Among the first owners of a personal computer in Australia, Thomas was writing a sponsored page that answered questions for the few PC users, but the magazine was ahead of its time.

In almost a year there had only ever been one genuine question come in from a reader. Week after week, Thomas wrestled to pose intriguing questions to himself, typically sourcing them from the reaches of Adelaide or Brisbane, and you could bank on his answers. Incredibly, then, some nark had written in to say he had checked the electoral rolls, and there was no person named Samson living in Willagee, which happened to be Tony Thomas's old Perth home suburb.

Such is the price of exigencies. God knows what Bill Gates thought of us - Bill probably told Him when they talked that night. Tom Brentnall sat the geek from California down and gave him our latest issue to read while he rustled up a photographer. As Robert Gottliebsen, BRW's infusing spirit, now openly concedes, those early issues looked pretty awful, although Bob remains proud of the content. It was newspapermen learning the art of magazines.

The first BRW squat looked up the backside of the Westpac Bank. In the old Fairfax building at number 392, now renovated as apartments, it was a 19th-century firetrap - and if you could smoke inside in those days it didn't run to many ashtrays. When the tinnies were cleared away at night, we used the wastepaper baskets: a metaphor for the early life of the magazine. The tinnies were Bob Gottliebsen's prescient form of a workplace relations agreement. Since there was no air-conditioning, he was on a promise to provide slabs of beer whenever the temperature touched 30 degrees.

It was a time warp. Where Bill Gates had sat was a clutter of mis-matched desks with clunky Olivettis, everything open-plan of course. Behind a screen a teleprinter worked on perforated tape, and by the desk sat an old friend, a single, sickly potted palm. When I talked to it, my fringed friend would mutter: "Don't worry, son, I'll be here longer than you are." I mean, who else were you going to talk to - not Bill Bloody Gates. We were professors of the makeshift and the temporary.

Kerry Packer thought Business Review Weekly, as it was, would not last six months against his own very polished pet, Australian Business.

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This year, as BRW celebrates its 25th anniversary, it is now a seamless and very sleek-looking product indeed. With the next issue it will move to a new, larger format, claiming the highest per capita readership of any business magazine in the world - and Gates should still be reading it.

The focus now is on innovation and the future. In the era of the internet and profuse, fragmented publishing, the strategy being developed by Fairfax Business Media's head, Michael Gill, lies in the accumulation of niche audiences, with ever-increasing specialisation within the broader mandate of the business sections. "The challenge," Gill says, "is to address the relative maturity of Australians reading about business." For some people, he adds, this seems to have replaced sport. Hmm, sounds good. The place for specialisation, Gill believes, now lies farther north. Fairfax is moving the magazine's head office out of La Trobe Street up into its Sydney HQ, which involves shedding some Melbourne staff. One era ends and no doubt another begins.

In the 1980s, the decade of the corporate raider, Bob Gottliebsen and editor Stuart Simson, particularly, had used a rough-hewn product's late deadlines to stay close to the news. This eventually helped see off the late Kerry Packer's late fortnightly Australian Business (which went weekly from October 1, 1987, just before the stockmarket crash). And if we shot off the odd toe of our own along the way? As Simson, a former editor and managing director of the BRW group and now an independent media operator, asks: "How many other people ever beat Packer in the magazine business?"

And like BRW's original slogan, 'News you can use', there are instructive lessons in this, how an underdog survived. There, I've used it, the "lesson" word - totemic of the start-up and of Gottliebsen's consumer-benefit philosophy. If the language was a little preachy - how to make money while we learnt how to make a magazine - it was right for its time.

The 1980s were ripe, became over-ripe, and then turned downright rotten. Bob Gottliebsen had positioned the magazine on business's side, followed it all the way, and somehow stayed clean. It's true that, in his breathless, huffing-puffing way, "Gotty" took business coverage to new levels of nickname familiarity - and Bondy, "Big John" (Elliott), Hacca (Holmes a Court) and Co. became New Age heroes. It was a time that is easily parodied, and who hears about entrepreneurs now? Gottliebsen himself was a bit like Queensland - every day was better than the last. His usual farewell before dashing off somewhere was "Happy days". But in that mercurial brain - sharply analytical when he could be sat down, leaning back and pushing the right side of his face up with an index finger - he always knew that excess and shoddy practice produced disaster, and that it was in everyone's interest that it be exposed.

With responsibility to hold the magazine's market image, he trained a young reporter named Ali Cromie as his stalking horse. There was only an occasional "correction" - a later editor, David Uren,

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says a Cromie story typically took three months to produce and three weeks with the lawyers. But it was worth the wait. Gottliebsen would send Cromie out and then, in his editorials, comment mournfully on what she had discovered and on the lessons to be drawn from it. A New Zealander, Cromie had been an aggressive young aviation writer with *The Australian Financial Review* and, when Gottliebsen brought her to Melbourne, he sat for hours by her desk, talking and teaching her about the city's business culture and its people. She was 21 and, God bless him, he told her to take an annual report to bed every night. Always read the footnotes.

In July 1982, Cromie took an axe to an untouchable Melbourne icon: myer cracks - too many mistakes. It relentlessly exposed the failures of a \$300-million diversification scheme, property sales and lease-back strategies. The cover showed the great facade on Bourke Street splintering. After the company called a press conference to defend itself, Cromie found herself standing alone in a lift when the elegant figure of a senior Myer executive stepped in. He stabbed a button and looked stonily ahead. "I wish this lift would plunge to the bottom and kill us both," he said.

Others would have the same sinking feeling. John Elliott was a hero in Melbourne, an acceptable suitor for BHP, unlike those upstarts from the west. But from what he said after big bad john - why top funds don't like him appeared in August 1988, Cromie would not have liked to have been caught in a lift with "Big John".

coles myer's web of corruption appeared on March 29, 1993, exploring Laurence Gruz-man QC's allegations of cosy deals among the company's directors, lavish expense-account lifestyles and systemic kickbacks and the occasional cosa nostra shotgun shooting down the retailer's fruit-and-vegetable supply chain.

And it had all started so modestly. Back in mid-1980, the idea of a new business magazine had been around, but it became urgent when Fairfax executives in Sydney learnt that Packer was preparing to launch *Australian Business* - perceived as a strike at the hegemony of *The Australian Financial Review*. Fairfax's editorial CEO, Max Suich, flew down to Melbourne to see Ranald Macdonald, at the majority-owned David Syme & Co, publishers of *The Age*. The idea of the new magazine was enthusiastically embraced. The risk was to be split, for a Melbourne location.

The snooty southern city was still Australia's business capital then, and Max Suich recalls: "I reasoned that a business magazine based in Melbourne would sell in Sydney, but a Sydney-based magazine would not sell in Melbourne." Fairfax had decided to wait to see what *Australian Business* looked like, and launched the precursor to BRW as a newspaper insert in *The National Times*, whose then editor, David Marr, has always argued that its insertion and subsequent withdrawal (there's a rude word for that) had fatally harmed the current affairs weekly's prospects.

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Suich, Fairfax's head office general manager Fred Brenchley and Greg Taylor from Syme would form the joint venture's board. Vic Carroll - a father figure to some of Australia's most distinguished business editors, then between corporate postings - was nominally made managing editor, although it was always going to be Gottliebsen's baby.

The fateful choice of the first editor was another determinant in basing the magazine in Melbourne. As Les Carlyon recalled in BRW's 10th anniversary issue, Bob Gottliebsen had started out as a cadet covering the Melbourne stock exchange, whipper-keen and the only volunteer on this greyest of all rounds. Later, a stint with the stockbroking firm Patrick's ended shortly before its collapse. He had long been The Australian Financial Review's first Chanticleer columnist, and was looking for a change. He had already pioneered a new form of business journalism, pasting faces and personalities over Australia's until then largely anonymous chief executives.

Vic Carroll would provide sage advice, but was wise enough to let Gottliebsen have his head. In the early days, Carroll would fly back to Sydney each week with pages for the Sydney printing presses, giving BRW its deadline edge. With takeover activity becoming manic, Gottliebsen could replace a page and come out looking almost like a daily. The first production editor, John Lahey, may have wanted to strangle him, but the magazine often left the fortnightly opposition far in the rear when it finally appeared.

Australian Business had been born mature, with all the sheen that Australian Consolidated Press's decades of magazine experience could give it. An impressive staff under Andrew Clark included Trevor Sykes, John Alexander, Deborah Light and investment writer Alan Deans (the latter two eventually joined BRW). But in launching it as a fortnightly, Kerry Packer had uncharacteristically gone half-way - got himself "half-pregnant" as Simson says - seeking, no doubt, to complement rather than harm his weekly flagship, The Bulletin. Fairfax grasped the nettle and decided, on six weeks' notice, to convert the raggedly little National Times insert into a magazine. Max Suich candidly takes responsibility for the terrible look of what first appeared. He had brought back a no-frills design of an obscure business publication in the United States, cheap and easy to produce. I was hoping to write Esquire articles in a business environment, and I'll never forget the feeling of deflation when I first saw it in his office. But Bob Gottliebsen believes that the look led directly to Packer's second big mistake. "It looked so bad," he says, "that Packer thought it couldn't possibly last - and he didn't respond by immediately going weekly."

Trevor Sykes, a later editor of Australian Business, still gnashes his teeth about the deal Gottliebsen subsequently sewed up with the Australian Society of Accountants, now CPA Australia, that enabled it to survive its teething problems. As its part of the deal, BRW would start an Accountancy Week section, and it mattered not that many accountants, ticking a box to pay an additional \$12.50 on

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their society membership, thought they would be getting the society's journal when they got 40 weeks of BRW. It added a vital subscription base of 13,000. And soon, sitting on the coffee tables of suburban accountants all over the county, BRW began to acquire a readership among the professions and small and medium-size business operators. Terence Maher started writing about small business, a sector neglected in the financial press.

As it happens, the first 40 weeks of the accountancy deal was the time frame an increasingly nervous Syme set for BRW to show some light at the end of the tunnel. John Jost, from The Age's magazine arm, and Robert Gottliebsen approached Chong Weng Ho and Andrew Wolf, who were in their final year of a graphic design course at Swinburne, and came up with a new design. Then went into a heavily promoted do-or-die campaign for newsstand sales. "The Five Issues" he calls them: he loved these portentous names - like The six wise men who organised BHP's defence strategies. The first boomer was how safe are cash trusts? The second was an interview with the tax commissioner, Bill O'Reilly, by the then Canberra correspondent, Stuart Simson, tax man warns - i'll find your cash, and O'Reilly had virtually said it.

BRW was beginning to move, although there were a few hiccups on the way. In Sydney, David Koch had cracked the code of a major Liberal Party donors list, but it turned out to be the seating plan for a luncheon. The serial legally ordained apologies continued week after week, so much so that I missed them when they eventually petered out, and felt that they had been quite well read. David never looked back. In 1983 he became editor of Personal Investment, a sleek new stablemate, before striking out on his own with some smaller titles and joining the Seven Network.

He was one of a quartet of super-bright young men inspired by Gottliebsen's leadership, the others being Simson, Ross Greenwood (now at Nine Network) and Ivor Ries, an analyst with E.L. & C. Baillieu and much sought for media comment.

Stuart Simson would become managing director of BRW magazines, and then of the half-parent David Syme, later moving on to develop a TV business program, Business Daily, for Foxtel, loosely based on BRW - with Gottliebsen doing nightly editorials. He then became executive director of Harold Mitchell's emitch, the largest online advertising agency in Australia and New Zealand, a company whose capitalisation has moved from less than \$10 million to \$150 million in 10 years. He will retire with a 4.6% stake in September this year, to concentrate on developing his network of five regional radio stations in Queensland and Victoria.

Over the years, Simson had unconsciously acquired some of Bob Gottliebsen's verbal mannerisms, and when the quiet, reflective David Uren took the chair, it was said on the production desk that you could fit a Stuart Simson conversation inside a David Uren pause. By now, the sub-editors under

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long-serving production editor Brian Thomas were superbly professional, if at first they had sometimes been a rather bolshie group in the pro-business environment. It's traditional, between subs and writers. But Thomas and his crew saved Bob Gottliebsen from himself many times.

By then, BRW had learnt that the essence of magazine production was editor and publisher, church and state. The first publisher, David Fallick, was followed by Steve Congerton, the most thrusting space salesman in Australia. A succession of editors - Uren, Greenwood, Neil Shoebridge and Tony Featherstone - found themselves pressed to fill 100-page books with supporting editorial. An early art director, James Davis, one of Australia's leading urban expressionist painters, brought a sophistication to the covers and inside pages, which lasts.

I became the second editor of BRW in mid-1983 while Gottliebsen was devoting more time to developing Personal Investment and other projects. The Peter Principle had cut in: I was a generalist, former foreign correspondent who wrote broadcast media policy for The Australian Financial Review, and the question was, how the hell was I going to do it? A cover story on the cost of divorce helped, calling upon the expertise of the same Tony Thomas, our most experienced man in the field.

Of course there were many voices, but as one of the first men to speak up since Lionel Murphy's Family Law reforms, Tony's comments outraged women's groups and the issue walked off the newsstands as if of its own accord.

In November that year, I instituted the BRW Rich 100 - my main, perhaps sole, contribution to the underdog's survival. But a good one. In these pages three years ago, on the (now) Rich 200's 20th anniversary, I wrote about its effect: the delightful ripple of outrage, joy and envy that ran through the plush eastern suburbs of Australia, and the many wonderful success stories.

The idea of course was not original. In the United States, Forbes had been publishing its Rich List since 1918. The groundbreaking work here had been done by pamphleteers and writers for the old Communist Party of Australia, Pete Thomas (Tony's dad) and Eric Campbell, and later by the economist Ross A. Williams. Australian Business was sure to be working on it. My function was to set a time, a standard, and get it done. All staff contributed, but Ivor Ries was at its core. It started with a list of 6000 prospective names. Tom Brentnall, John Corr and others were checking microfiche share registries, property values, and the more difficult areas of debts and trusts.

In the end, despite the uproar, its credibility stood up remarkably well - and at the end, when Ries reappeared to his wife Diny Slamet, a spirited Age journalist, for the first time in many weeks, she socked him on the jaw.

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With an established database, eight researchers now work full-time for months on the BRW Rich 200, a sophisticated exercise developed over years by Brentnall, Narelle Hooper and others. It continues to cause the occasional reaction. Dick Smith, at \$50 million, wanted off, and rang David Uren, demanding to know the cut-off point. It was \$35 million then. "Hmmm," Smith said, and went away. A short time later, he publicly divested \$20 million to charities of his choice. The cut-off is now rising towards \$200 million. But he'd better not make any more.

Max Suich is kind enough to say that nothing ever matched the fresh impact of the first Rich 100, which was actually 144 people and 20 families. A tribute also came in the reaction of our rivals. At Australian Business, Andrew Clark called a staff conference and demanded "How are we going to respond?" There was some nitpicking about the BRW list, silenced when a voice said: "But they got it out." Australian Business published its own rich list of some 300 people much later, but the bird had flown. It would remain a BRW possession, a widely quoted boon to the magazine year after year.

In 1986 the expanding BRW group acquired Rydges and Australian Property News, which brought the vast experience of Phil Rennie with them, and another 20,000 circulation when it eventually folded into BRW. A joint venture with Time Australia taught BRW the modern American subscription fulfilment method. In 1987, when Warwick Fairfax's take-over took the parent company towards receivership, Bob Gottlieb and Stuart Simson tried a management buy-out. They met Young Wocka's \$100-million adviser, Laurie Connell, at the Regent Hotel, but he told them they would have to bid against Packer.

Some cynics thought the stockmarket collapse was the end of BRW's world. Very silly. Bad news is good news for the media, and it was just another plane of opportunity. In a globalised economy, writers such as Adele Ferguson give superb, perhaps more measured, analysis now. From Perth, the Golden West booms again for Tim Treadgold, courtesy of China, and there are many other talents that I've missed.

Of course there have been other glitches. In November 1991, Bob Gottlieb was escorting Bob Hawke in an elevator to a glittering ceremony in Sydney's Queen Victoria Building, where Compass Airlines' Bryan Grey was about to be anointed the BRW-Alcatel Business Leader of the Year, for his role in aviation deregulation. On the way up, Hawke said something from the side of his mouth that Gottlieb did not quite catch. What Hawke said was: "We've just sunk your man."

The Commonwealth was calling in its liens on Compass Airlines. Hawke would make his speech as planned, but he didn't want to be photographed handing over any sculpture. For editor David Uren, a nervous wait followed. Would the announcement be made before the awards issue hit the newsstands - perhaps while it was on them? In the end it took a couple weeks. Piece of cake. Next.

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Bob Gottliebsen left the corner office in La Trobe Street, a far cry from Little Collins Street, in 2000. As this is being written, a new editorial leadership team, Peter Roberts and Kevin Chinnery, are taking over in Sydney, and I wish them well. It is hard to tell what the next 25 years will bring. The first was quite a ride.

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