

WEALTHY

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Reaching the top takes passion, determination, patience and an entrepreneurial spirit. Five business leaders, who've vaulted onto the annual *BRW* Rich 200 list for the first time this year, share their journeys with **Lyndall Crisp** and offer a few words of wisdom...



WISE

Manny Stul

SECTOR

Retail

TITLE

**Chair and co-CEO,
Moose Enterprise**

AGE

67

NET WEALTH

\$1.24 billion

NOT many people retire in their 40s, buy a company in its death throes seven years later and then turn it around in just a year. But Manny Stul did.

Today, Moose Enterprise is one of the world's leading toy companies. Wholly Australian owned, it sells to 80 countries and is the fourth-biggest toy company in the United States. Annual turnover exceeds \$600 million. In June, Stul beat 55 contestants to win the Ernst & Young World Entrepreneur of the Year title in Monaco.

Along with Mighty Beanz, The Trash Pack and, more recently, Little Live Pets, the Shopkins range has cemented Moose Enterprise as a global leader in collectable toys. If you know a little girl aged between four and eight, you'll know Shopkins: everyday items (shoes, biscuits, tomato sauce bottles) that are brought to life with eyes and quirky personalities. The limited editions distributed randomly around the world each season are every young girl's must-have.

Stul was supposed to be a passive investor when he and a few partners bought the struggling Moose in 2000. "I'd retired from the business environment, never to work again," he says. "I got involved in organic farming, spirituality; I went to India. I was in Israel looking at new technology when Moose came across my desk in the hotel room... and boom, boom, here we are. I bought out the other partners in 2001 and took over the running of the company, a full-time job for the past 16 years."

The Melbourne businessman, whose co-CEO is stepson Paul Solomon, was no stranger to retail. At 25, with no formal training or mentor, he started Skansen Giftware, having worked on construction sites to raise the capital. "I had to do everything myself in the first three years of the business," says Stul.

"I did all my selling, packing, invoicing and paperwork. I was a one-man show starting off from home then moving into a small rented office. I took it public in 1993, the biggest gift company in Australia." His one regret is that he didn't take Skansen Giftware to the US. A lack of funds prevented him – which makes his success with Shopkins all the sweeter.

At an age when many are retiring, Stul works a 70-hour week and says he could do with more hours in the day. "We intend to keep growing Moose Enterprise, to develop innovative products."

Of all the lessons he's learned over his long career, Stul puts special emphasis on integrity. "It's very easy to lose somebody's trust. When I started my gift company, I was trying to sell to a variety of retailers around Australia and I developed a rapport with them over the phone. I learned quickly that you don't want to have to remember who you've said what to if you're embellishing or stretching the truth. So I adopted the policy of never lying. That has permeated my whole business career."



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His advice to anyone starting a business is to have a clear view of what you want to achieve, be focused and determined. "Find a niche in the market where you believe you can do better, research your market and make sure you're fully aware of everything that's transpiring," he says. "Be flexible. Don't bet the farm. If you've got a great idea, dip your toe into the water. Market testing is very important."

Aside from Moose Enterprise, Stul is a keen investor. He doesn't play the stock market but does invest "quite heavily" in technology around the world and in property. He's passionate about everything he undertakes, which includes keeping fit to manage stress and "function better". He exercises every day: Pilates, weights and aerobics at a gym. "If you're highly motivated, you'll always make time. In my giftware days, when I was working far longer hours, I was committed to a squash team. They trained at 4pm. I always made time to be there and then went back to work. If something's important to you, you'll make the time, no matter how busy you are. Same goes with exercise: if you haven't got your health, what's the point of it all?"

Simon Schluter (previous page), Mick Bruzese



Christian Beck

SECTOR

Technology

TITLE

**Founder,
Leap Legal, Cammy and InfoTrack**

AGE

47

NET WEALTH

\$414 million

It was almost by accident that Christian Beck started a business that's now a world leader. After leaving school, he joined a company selling components for computers. At night, he'd go to his father's law firm in Sydney's Parramatta and use the computers – he didn't own one – to write a system that he'd sell back to the company. It was 1989; he was 20 and hooked.

His father, David, already had a system for his conveyancing business but young Beck decided

to improve it. Then he started selling the software to other small law firms. In 1992, Leap Legal was born. Beck, founder and majority owner, employed five people and by 1998 had an annual revenue of about \$250,000. A legal research company offered to buy him out but that fell through – luckily. Beck realised that by combining legal research and legal software, he could get twice the revenue from each sale to a law firm. "Then you can spend more than your competitor getting those sales," says Beck. "That was the breakthrough."

After a slow start, the business picked up momentum in 2005. Today, the company is divided into three businesses – Leap Legal, Cammy (a cloud-based camera system) and InfoTrack (a search tool) – and employs about 550 people in Australia, the United Kingdom and the US. Leap Legal sells to small law firms; Cammy sells to individuals and small businesses; and InfoTrack sells to small and large law firms, government

and corporates. Together, they turned over \$245 million last financial year.

"I had advice from my dad and a mentor who helped a lot," says Beck. "On the technology side, lots of people contributed and these days I have employees who know more than I do. It was obvious the things we were doing were useful."

Beck has bought several companies in the UK and the US. The UK market, where there's not so much competition and law firms operate much the same as in Australia, was easier to crack



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than the US, where every state works differently and law firms follow the American model. He ventured into Canada and Malaysia but neither worked out.

"I love to try things; I make lots of mistakes," says Beck, who is confident he'll keep expanding and has hired Goldman Sachs to help with the float of InfoTrack. "The idea is to make all three businesses global successes. There's not much competition with legal software systems. We're the largest in the world specialising in small law firms."

The first thing that keen tech buffs should do is "learn how to program a computer", he says. "It's the sure way to solve any business problem."

Beck does invest but other than a house and three holiday homes, which staff use, he sticks to tech companies.

"I do enjoy my success," he says. "With four kids and a couple of boats, I'm very family oriented. I used to work long hours but I've cut back to about nine hours a day, five days a week. And I take holidays."



Jonathan Hallinan

SECTOR

Property

TITLE

**Founder and managing director,
BPM Corp.**

AGE

41

NET WEALTH

\$459 million

JONATHAN Hallinan began saving to buy a house when he was 10, doing a daily newspaper run that took him 10 kilometres around Melbourne. Nine years later, he had enough to buy a \$90,000 property in Bentleigh. Between working as an apprentice carpenter during the day and studying construction management at RMIT at night, he divided the property into two and renovated both sites himself over 18 months. One sold for \$220,000, the other for \$240,000 – the only properties in his vast portfolio in which he hasn't maintained a share.

"I followed the business models of people I admired, such as [Meriton founder] Harry Triguboff," says Hallinan, who founded BPM Corp. in 1995. "I followed his plan of keeping a percentage of everything I built – 20 per cent. Like young people follow a football star or a movie star, I followed business leaders through reading."

Today, Hallinan has a portfolio of around 140 completed rental apartments and about

Jesse Marlow

QBusiness.

3000 apartments, worth \$2 billion, in the pipeline. Though he's moved into the Brisbane market with seven properties and is sussing out Sydney and Los Angeles, he's bought mostly within 10 kilometres of Melbourne's CBD.

"We look at areas that are run-down and I follow the food culture. One thing I've found that will move a property market more than economic factors is coffee. In an area like Collingwood/Fitzroy, where there's amazing coffee, a young, ambitious culture around passionate, successful people can drive a market. We heavily invest in that area with multiple projects."

Because of changing government and banking regulations, Hallinan and his 85 staff are concentrating on existing projects such as Shadow Play at Southbank, Melbourne. The \$300 million tower will be finished in 18 months; only 11 of the 494 designer apartments are still for sale.



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"As far as the decisions I've made about being in or out of the market or the products we've done, no, I wouldn't change any of it. I've always believed that being out of the market is more of a risk than being in the market."

It wasn't until Hallinan got a business coach five years ago that he learned to pull back a little. Finding balance is "the greatest change I've made", he says. "In every business decision I make, every project I go into, they're all about passion. It was primarily a property business but now it's lifestyle. We have coffee shops and a suit business and we're starting a hotel business and a health and fitness business – all passions of mine."

Hallinan dabbled in the stock market during the tech boom but not any more. "I learned a lot about the financial markets but it wasn't a passion. I was doing it to earn money and I just knew it wasn't going to be successful for me long-term."

He sees no limit to his business ventures – all part of his burning desire to be successful. "It's one hell of a burden. Being free from that burning desire would be nice. But I see no end. It's kind of like being trapped. I've completely defined myself through my business success but I'm following a passion with huge reward. My greatest dream was to have an impact on Melbourne's skyline and I've fulfilled that."



Alex Waislitz

SECTOR

Investment

TITLE

**Founder and chair,
Thorney Investment Group**

AGE

58

NET WEALTH

\$1.13 billion

The value of hard work was drilled into Alex Waislitz from an early age. His Polish immigrant parents, David and Ruth, worked seven days a week, with Ruth teaching Hebrew and music and David doing everything from teaching Yiddish to working as a fitter and turner, eventually becoming a successful real estate agent and leading developer.

From the age of 11, Waislitz had a paper run and collected metal from abandoned properties to resell. As a teenager, he bought and sold cattle.

"I grew up in an entrepreneurial environment and that has stayed with me," says Waislitz, who studied economics law at Monash University in Melbourne before going to New York. He got a job on Wall Street, "became hooked on investment" and forgot about being a lawyer. He then worked

Peter Tarasiuk

QBusiness.

for Robert Holmes à Court before returning to Australia in the late 1980s to join Richard Pratt's paper packaging firm, Visy.

In 1992 – the year he married Pratt's daughter, Heloise (they separated last year) – Waislitz started Thorney Investment Group. "I borrowed \$1 million from Richard Pratt's mother, Paula, as seed capital to establish the company. So while I retained an active involvement with Visy, I was on my way – first on a part-time basis then, in 1994, full-time."

Like his father, Waislitz looked for "undiscovered jewels": under-researched publicly listed micro-capitalisation companies. "I used the experience of Robert Holmes à Court, who was always looking for hidden gems – something that had potential where I could unlock the value.

With, say, a five or 10 per cent shareholding, I could engage with the management and the board. Those companies were too small for the fund managers, pension funds and mutual funds to look at. They were not researched so you had to do the work. I dedicated myself."

Today, Thorney Investment Group employs 15 people and invests well over \$1 billion. Waislitz also has a real estate division that develops townhouses, apartments and, with some partners, commercial building sites on Australia's east coast and in Adelaide. He's also active in the United States, investing in property and shares.

"Thorney is my company, my baby," says Waislitz. "My private money is invested in the business or alongside it. I like new challenges so a couple of



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years ago I started Thorney Opportunities, a share-market-listed investment fund."

Later this year, he plans to launch the Thorney Technology fund, a boutique company focused on investing in tech – "hopefully a unique investment company on the ASX", he says.

"I'm still motivated to be successful to expand and create. This is not driven by the number of hours you work. When you own your own business, even when you're on holidays you're taking calls. I divide the workday in two: first, the day-to-day issues that require meetings; and I'm a night owl [so the evening] is when I think about strategy, game plan, challenges and how to avoid mistakes. It's two days in one. I learned that from Richard Pratt."

Waislitz can think of a host of things, certainly micro

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