

THE COLOURFUL AND CHARISMATIC SIR RICHARD BRANSON –

Founder and Chairman of the Virgin Group of Companies was ranked 9th by British newspaper, *Sunday Times* in their Rich List 2006 with a personal wealth worth just over £3billion. Branson was also voted 2nd choice in the UK for Prime Minister after Tony Blair.

In 1999, the Queen knighted him Sir Richard Branson for “services to enterprise”. He is best known for his Virgin brand, a banner that spans a wide variety of businesses. The name Virgin came about when a female friend involved in opening the initial record shop exclaimed: “We’re all virgins at business.”



Born in 1950 and educated at Stowe School, Buckingham, England, Branson went into business at 16 after dropping out of school and began publishing “Student” magazine, starting business life as a hippy entrepreneur with a flair for publicity.

Virgin started out as a mail order record company and Branson later opened his first store, in London’s Oxford Street. The Virgin Records music label was created in 1972.

Today, the Virgin Group is a conglomerate of over 200 companies worldwide, employing over 35,000 people. Its total revenues around the world exceeded £4 billion (US\$7.2 billion). It is involved in planes, trains, finance, soft drinks, music, mobile phones, holidays, wines, publishing, space tourism and even cosmetics.

MillionaireAsia’s **Brian Yim** poses some exclusive questions to Sir Richard Branson.

Sir Richard



Branson

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What advice would you like to give to millionaires who want to become billionaires?

If only it were that easy - there is no advice I can give - if there was I'd tell the whole world!

To turn it on its head slightly though I was once told "The best and quickest way to become a millionaire - is to be a billionaire and then start an Airline!" With this in mind I guess I've been pretty lucky. The most important thing to remember is it is not all about the money - if you employ good people, have great products or services which truly put your customers first and have fun while you're doing it - success will follow. I've met many business people who solely look at the bottom line and in my experience they are generally miserable, their staff turnover rate is extremely high and they treat their customers in terms of dollars and cents - not as human beings, where is the fun in that? At the end of the day you can't take it with you, so enjoy every moment while you can, have fun with your staff and interact with your customers. You may not end up a billionaire but at least you'll enjoy being a millionaire a lot more!

You seem to have done it all and you are even on the verge of conquering space, with Virgin Galactic. What thrill do you crave for next but have yet to attempt? Are you running out of the dangerous sporting escapades that enthrall you?

Without a doubt it is my trip to space on Virgin Galactic. Being a teenager in the 60s I can't describe the belief that "anything and everything is possible" I felt when I saw a man walking on the moon for the first time ever. I truly believed that by the end of the 70s we'd all be off on moon based holidays - that trips to space would be the norm for my generation. We all watched in disbelief as space became another weapon in the Cold War and the birth of the communications era when it was satellites that got to go to space on a regular basis, not man. In two years time I will be on the inaugural flight of Virgin Galactic's VSS Enterprise - finally I will get to experience

the black sky and view the curvature of our beautiful planet from space. It won't be dangerous as safety is our number one priority at Virgin Galactic but it will be the most exciting escapade I've ever taken part in. Perhaps after that I might hang my adventurous boots up or hand them over to my son Sam ... then again ... maybe not!

Beside Bill Clinton recently, you pledged to donate the next 10 years' profits from your Virgin travel businesses, estimated at US\$3 billion, to the fight against global warming. What are some of the other philanthropic causes you are most passionate about?

As everyone knows, we're not yet winning the battle against diseases such as HIV/AIDS. Over 11,000 people still get infected each day. Historically, the public and private sectors have been on opposing sides, often overlooking partnerships that might build durable solutions. I, and my wonderful staff at Virgin Unite, are currently working with organisations in the world to make effective partnerships happen. Recently, we've done the same; Virgin, the US' PEPFAR, Anglo Coal, and the South African government have joined up in the fight against AIDS, TB and malaria. Yes, we make a pretty odd couple, but private-public initiatives are the way to effectively fight diseases of poverty.

Our partnership has started the Bhubezi Community Health Centre, a "one-stop health care centre" that is bringing effective diagnosis and treatment to a population that's over 20% HIV positive. Bhubezi will serve approximately 100,000 people who will receive free diagnosis and treatment for HIV/AIDS, TB and malaria. What makes it a social sustainable business is that our clinic will be economically viable through affordable basic health services.

Bhubezi is an example of what we do at Virgin Unite, our charitable arm. Just as we start new companies for profit, we're incubating new "social businesses" that bring our companies and our partners together to create sustainable, entrepreneurial approaches to social and environmental issues.



SIR RICHARD WITH AN SS2 MODEL AND VIRGIN GALACTIC'S WHITE KNIGHT (LEFT).

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A CONVERSATION WITH
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Sustainable is a key word here because we aren't giving out money through free treatment. The South African government's participation as a partner in Bhubezi will help build a sustainable national response to a needy health system over time.

I'm in the transportation business, so I'm trying to figure out how to get treatment to people in remote areas, or the "last mile," through an initiative that also stimulates the economy. The Rural Transport Network in Kenya, Nigeria, and South Africa is looking to help local entrepreneurs buy motorbikes so that they can make deliveries of everything from cabbage to HIV/AIDS, malaria and TB treatment. If you want to find out more about all the various philanthropic projects we are working on at the moment please go to www.virginunite.com.

How did you overcome your natural shyness and discomfort at public speaking to become such a huge hit with the media?

I still am uncomfortable speaking in public; I don't think that ever goes away. Naturally, as a well known business person, I get asked to give many speeches at different forums and events. In the past I've always found this painful. Recently I have concentrated on topics that I feel passionate about such as global warming and how big business should become more socially responsible at a grass roots level in regions of the world such as South Africa. I now enjoy turning up to give speeches – always talk about something you really believe in and the audience will respond positively.

As for being a huge hit with the media – I have had my not so great moments as well! The thing with the media is to try and not take it too personally – if you are upfront and transparent, have fun while trying to get new products and services out there for the general public to see – they'll respect you for it. Sometimes it works, sometimes it doesn't. 25 years ago if you had of told me I'd be jumping out of helicopters, flying hot air balloons', abseiling down buildings all over the world I would have laughed at you. It was Freddie Laker who told me that if I ever wanted the

name Virgin Atlantic to be known all over the world, given that we had tiny budgets for advertising compared to the other large Airlines across the world, I would have to put myself out there. He was right, I now accept that this is part of my job, I owe it to my staff to publicise all the great companies and products that they are working on but it still feels a bit strange at times.

Among your "Secrets of Success" you mentioned that you prefer to "herd cats" rather than "lead sheep". What key qualities do you look for when you hire your people?

We tend to employ entrepreneurs at Virgin. I really respect and enjoy working with people who know their own minds, are not afraid to take risks, are willing to speak their minds and get stuck in. All of our companies are run independently and separately from each other – the boards of each company make their own decisions and run their own businesses on a day to day basis – they have the independence to enjoy their own success and of course learn from their own failures! By employing like-minded people I hope that we have instilled a culture in all our businesses where the staff feel that they are contributing and are part of the business and not just payroll numbers. I work with people I trust and in turn I expect them to trust their staff and encourage them to play a key role in the company. I also love people who know how to have fun – naturally they take their business responsibilities seriously but they also know how to let their hair down and party with their staff as well.

You plunge into businesses just because they are apparently fun to do yet there is clear method in your wackiness. What advice would you give to become a successful entrepreneur and future billionaire?

I'm not sure if there is a clear method! It's evolved over the last 30 years. If you had of asked me this question 25 years ago I, and my colleagues at Virgin, would have laughed and asked you what a business methodology meant! Again its difficult for an individual to give this kind of advice – you don't really become an



DO YOU KNOW?

- The person whom Branson admires the most in the world is his friend, **Nelson Mandela**
- His home in London is a 19th-century four-story **Holland Park** townhouse that doubles as an office
- He has no personal driver so he takes **taxi-cabs** around town
- He doesn't carry cash
- He won't carry **keys**, so he'll wait outside his own office until someone lets him in
- Fashion: He wears frayed woollen pullover **sweaters** even when he visits the House of Parliament.

entrepreneur – it's in your blood. One piece of advice I would give though is that no matter how big you get stay true to your brand values. At Virgin we invest in many sectors, with different partners across the world but insist on every business we enter that the 'Brand' is king. We insist that all our investments stay true to what Virgin stands for: quality, value for money, innovation, competitive challenge and fun. At the end of the day our philosophy in this respect is simple – if we do not stay true to our customers – why should they stay true to us?

In recent years I have come to believe that companies like Virgin have a duty to not only develop the most energy and environmentally efficient futures for our existing businesses but also invest in the future sources of renewable energy and fuel that could make such a difference to securing the technological and industrial future of western society and the United States. We call this new Virgin approach to business 'GAIA CAPITALISM' in honour of James Lovelock and his revolutionary scientific view, and along with our BRANDED VENTURE CAPITAL way of doing business, I believe it will help Virgin to make a real difference in the next decade and



not be ashamed to make money at the same time. I believe that all businesses should take a similar approach and as a result they will gain the respect of their customers and will deserve their loyalty.

At age 16, you dropped out of High School. What were some of your turning points in life and how did that shape you as a maverick entrepreneur?

Too many to mention! British Airways Dirty Tricks campaign in the late 80s / early 90s, having to sell Virgin Records to keep Virgin Atlantic in the Skies; our fight against Gtech; entering the financial services market and of course the birth and growth of Virgin Mobile and the launch of Virgin Media. All of these instances (and these are just a few in the life of Virgin) thought me many, many lessons – not all good! These lessons have helped shape the businessman I have become – you have got to take something away from all the challenges

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BESIDE BILL CLINTON, SIR RICHARD BRANSON PLEDGED TO DONATE THE NEXT 10 YEARS' PROFITS FROM HIS VIRGIN TRAVEL BUSINESSES RECENTLY TO FIGHT GLOBAL WARMING.



you face in life both successes and failures – or what’s the point!

For you, breaking the rules has almost always paid off handsomely. Although your kids, Holly and Sam are grown up, did they ever challenge you when they broke your rules?

I’m afraid I’m not that kind of father. My beautiful wife Joan has always been the one who kept Holly and Sam on the straight and narrow – considering Sam was born when I was half way across the Atlantic in the Virgin Atlantic Challenger II getting the Blue Riband trophy back for Britain – I’d have the cheek to start setting rules! Also, apart from teaching your children the difference between right and wrong, I don’t believe that setting down strict rules is necessarily the best way to raise well rounded adults. Extreme rules encourage extreme rebellion, I hope that Joan and I have always treated Holly and Sam with respect, even when they were small children we listened to their opinions and encouraged them to think things through for themselves. Saying that your children are always your children no matter how old they get – so there’s still time for them to rebel!

If you had 3 things you could change in the world, what would these be?

I’ll answer in the same way I expect everyone would – that no one in the world was hungry, that every person in the world has shelter on a cold night and is loved and loves, that all diseases were a thing of the past and of course that the world never felt that another war was justified. ■



Branson’s 10 Secrets of Success

1
You’ve got to challenge the big ones.

2
Keep it casual.

3
Haggle: everything is negotiable.

4
Have fun working.

5
Do the right things for the brand.

6
Smile for the cameras!

7
Don’t lead “sheep”, herd “cats”.

8
Move like a bullet.

9
Size does matter.

10
Be a common, regular person.

