

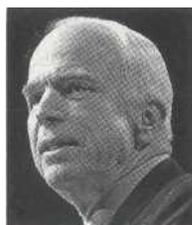
# EXTREME

# EXPERIENCE

By Tom Lowry

Illustration by Luke Wilson

Seniors running the show aren't the norm. But here are 25 who can teach boomer executives a thing or two

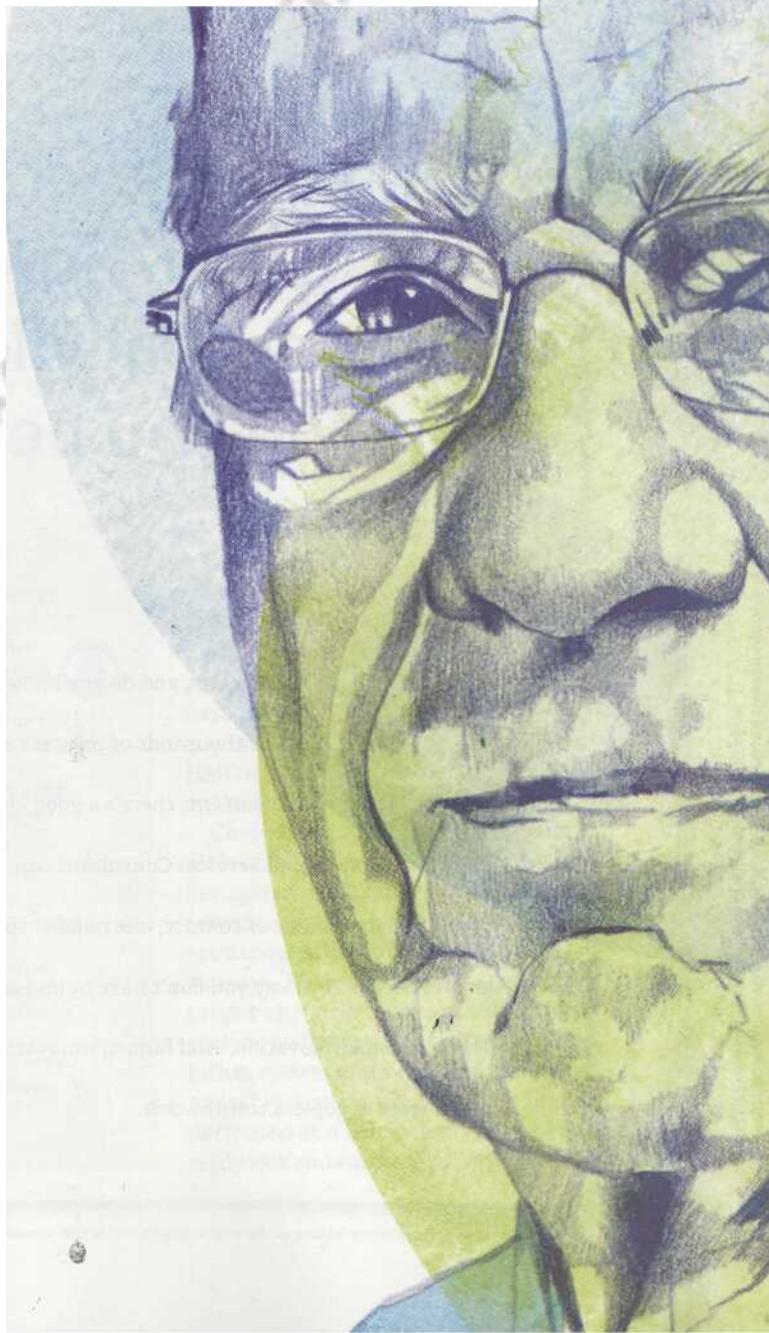


When Senator John McCain takes the stage at the Republican National Convention in Minneapolis on Sept. 4, he will become the oldest candidate ever to accept his party's nomination for a first-term President. McCain, who will be 72 when he formally accepts the nod, has sought to turn his advanced years into an attribute (he is wise) and a counterpoint to the message being championed by his 47-year-old rival, Senator Barack Obama (he is for a fresh start). This election, at least on one level, is a national referendum on change vs. experience.

A similar dynamic is at work in business. It often seems as though young people rule the world, especially since the dot-com boom (Hello, Google and Facebook guys). But you might be surprised at how many senior citizens—media moguls, casino kings, Chinese tycoons—are cutting deals, starting new businesses, and generally kicking boomer and Gen Y butt.

If 60 is the new 40, then 80 is the new 60. Mellowing with age simply doesn't compute for these folks. Every morning, Sumner Redstone, the 85-year-old chairman of Viacom and CBS, rises at 5 in his Beverly Hills manse, swims, rides an exercise bike, runs on a treadmill, and peruses financial reports until the markets open. Rupert Murdoch, 77, goes a few rounds with a boxing coach before setting off to run his global media empire. Playboy Editor-in-Chief Hugh Hefner, 82, may get a workout from exercising the fabled prerogatives of his job.

We decided to take the measure of these people. We surveyed



our global network of correspondents and came up with a list of folks who range in age from 75 to 100 and run their companies or wield real influence in business. We ranked them from oldest to youngest and called our list Twenty-Five Over Seventy-Five. (There were so many, we opted to list another 25 on BusinessWeek.com.)

The first thing you'll notice about our list is that for the most part these people are founder-entrepreneurs. From Hong Kong's Li Ka-shing to Wall Street's Muriel "Mickie" Siebert to Belgium's Albert Frere, they answer to no boss. And even when they have shareholders watching their every move, many of these seniors control their companies through supervoting stock. Does extreme experience pay off? Not always. A back-of-the-envelope calculation shows that most of the seniors on our list who run public companies failed to beat their respective indexes over the past five years. There are exceptions. Warren Buffett's Berkshire Hathaway is up 59% over that period, vs. 40% for the S&P 500.

Septuagenarians running the show is not the norm in the corporate world. At most companies, 65 is the cut-off. At that point merit and years served are meaningless: It's time to take the gold watch, hit the golf course, and start collecting the pension. People who'd prefer to keep working feel robbed, of course. Veteran auto executive Robert A. Lutz recalls Chrysler letting him go 10 years ago because he had reached that milestone. "I'm finally getting pretty good at this and have learned many lessons the hard way," he recalls. "So they throw this asset away and send me home."

Management gurus have long argued that companies need to be more flexible in matters of retirement. Jeffrey A. Sonnenfeld, who teaches management at Yale University, acknowledges executives should face "regular, brutal assessments," whatever their age. "But just as race isn't used as a proxy, age shouldn't be, either."

We know what you're thinking. Older people resist change. They are prone to "senior moments." They are always fighting the last war. Sometimes that's true. But they also have historical perspective, as well as impressive contacts built up over a lifetime. They can be adept at weighing risks and spotting opportunity.

These are useful attributes at a time of epic upheaval. In industry after industry, rapid-fire change is putting executives to the test. Many companies also find themselves lacking institutional knowledge, partly a result of the incessant job-hopping of today's generation of managers. In such circumstances, the out-to-pasture retiree can look like a savior. Gerard R. Roche, senior chairman of headhunter Heidrick & Struggles, 77, has placed several older executives in recent years. "The key," he says, "is that they still have their marbles."

Typically, bad things have to happen before companies make an exception to retirement rules. In June, Hearst CEO Victor F. Ganz resigned unexpectedly. The board turned to 75-year-old Frank A. Bennack Jr. to re-

## RUN RUN SHAW



Chairman,  
Television  
Broadcasts  
AGE: 100

The legendary TV tycoon is slowing down, going into the office just a few days a week. But TVB, which he founded 31 years ago and still controls through Shaw Brothers, remains Hong Kong's preeminent broadcaster. His wife, Mona Fong, is continuing the Shaw family's hands-on style of management. The one major cloud on the horizon: A real estate developer from mainland China is looking to take over the entertainment

empire that Shaw built.

## KIRK KERKORIAN



President/CEO,  
Tracinda  
AGE: 91

The billionaire spends much of his time in his Beverly Hills mansion, where he plays tennis and plots his next move. Nothing turns on the onetime boxer more than a lightning uppercut to management. After General Motors rebuffed a proposed merger with Nissan-Renault, Kerkorian sold his shares (at a profit) and bought a 5.5% stake in Ford Motor. He says he is backing Ford's leaders—for now.



## OSAMU SUZUKI

Chairman, Suzuki Motor AGE: 78 Fifty years after joining the car and motorbike maker, Suzuki still calls the shots. Born Osamu Matsuda, he married the granddaughter of Suzuki's founder, taking her name and rapidly rising through the ranks. He avoided head-to-head competition with Japanese rivals. Instead, he led Suzuki into India and other developing markets. Today, his foresight is still paying off: During the first six months of 2008, Suzuki Motor, turbocharged by its No. 1 position in India and its fuel-efficient cars, became the world's 10th-largest carmaker. Suzuki, who once vowed to "die in battle," shows few signs of gearing down.

**HAROLD BURSON**

*Chairman, Burson-Marsteller*  
AGE: 87

After spending decades running the legendary public-relations firm, Burson is now doing what he loves best: providing unvarnished advice to clients. A team of medical experts, including "a chief medical adviser," keeps him healthy. This, along with a careful diet and regular walks with his terrier, Robbie, has helped him stay active and engaged. Burson has the occasional Jack Daniels on the rocks as a "life stretcher."

**STANLEY HO**

*Chairman, SJM Ho/dings*  
AGE: 86  
Casino king

Stanley Ho isn't about to take his chips off the table. Worth some \$9 billion, amassed during a 40-plus-year gambling monopoly in Macao, Ho took his company SJM Holdings public in July, raising \$494 million. He plans to demolish his Casino Lisboa and is doubling down with a \$1.54 billion new gaming complex on the site. He attributes his vigor to ballroom dancing and avoiding sunlight.

**SUMMER REDSTONE**

*Chairman, CBS, Viacom*  
AGE: 85

Redstone refuses to step back. In the past two years he has fired one CEO, sued Google, and trash-talked Tom Cruise. The mogul stays vigorous with plenty of fish, daily exercise, and blenders full of antioxidants. Despite longtime speculation that he would hand the reins to his daughter, Shari, that seems increasingly unlikely.

**ROBERT KUOK**

*Founder, Kuok Group*  
AGE: 84  
Kuok made his fortune thanks to

a sugar-trading monopoly in 1960s Malaysia. Today, his Kerry Group is a huge investor in China—with stakes in everything from hotels to Coca-Cola bottling plants to office space. Kuok has a reputation for being soft-spoken and polite; word has it that the habitual smoker once asked the crew of his own plane if he could light up.

**DAVID MURDOCK**

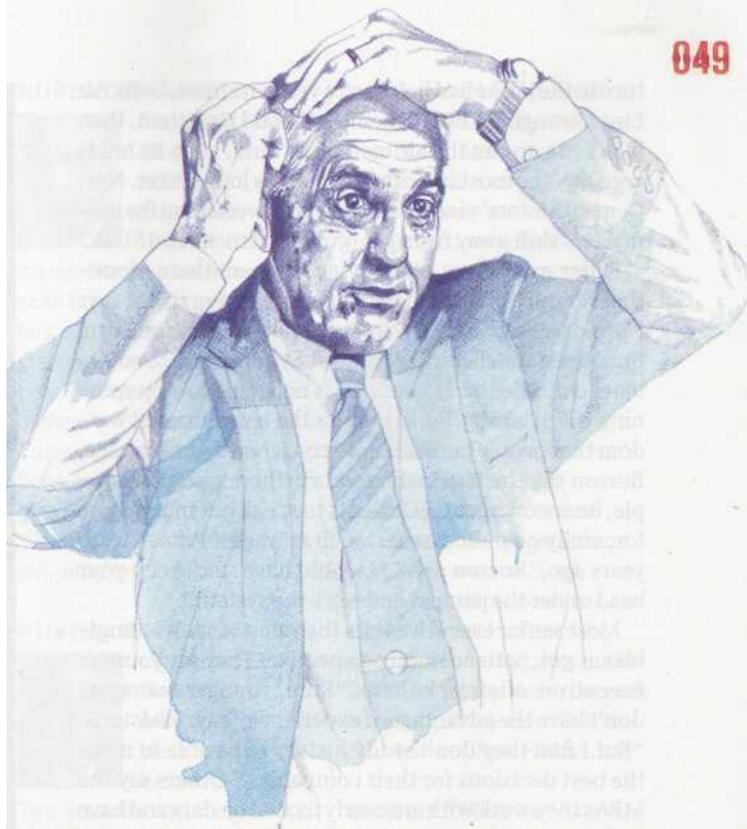
*CEO, Castle & Cooke, Dole Food*  
AGE: 84  
A high school

dropout, he built a real estate and hotel empire through Castle & Cooke, which he owns along with Dole, the No. 1 fruit and vegetable seller. Last year, the tanned and trim billionaire opened a Four Seasons resort in Los Angeles paired with the adjacent California Health and Longevity Institute, which offers everything from stress relief to cooking classes.

**HANK GREENBERG**

*Chairman & CEO, C.V.Starr*  
AGE: 83  
Greenberg hasn't

softened with age, Nor is he over the rancorous 2005 split from insurance giant AIG, the inglorious end to a 37-year tenure as CEO. Now he runs two former AIG affiliates, which hold major stakes in the insurer. AIG has lost billions on subprime loans, and Greenberg has declared the company "in crisis." He still faces trial over allegedly improper payments to C.V.

**ROBERT A. LUTZ**

*Vice Chairman, General Motors* AGE: 76 **The ex-marine is GM's car czar, responsible for moving the company from gas guzzlers to fuel sippers. Famously acerbic, Lutz has mellowed some. He gets plenty of sleep (sometimes during meetings), and his main vices are martinis and cigars—though in moderation.**

Starr when he led both companies. He denies any wrongdoing.

**HUGH HEFNER**

*Editor-in-Chief, Playboy Enterprises*  
AGE: 82  
Although he's no

longer chairman and CEO, Hef is chief creative officer and still draws a \$1 million salary. While his daughter, Christine, runs the company, Hef still controls it. He continues to live in the Playboy Mansion, where he films the E! Entertainment show, *The Girls Next Door*. The six-acre estate comes with its own zoo and parties galore, although he's said to be cutting back on the bashes since Christine began cutting costs.

**CHUCK DOLAN**

*Chairman, Cablevision*  
AGE: 81  
This cable

pioneer (he founded HBO) may make headlines for spats with his executive son at their family-operated business, but Cablevision is one of the best-run, most successful outfits in the industry. In recent months shareholders have spurned his efforts to take the company private. Since then Dolan has been playing nice with investors, leading some to wonder if he is ready to cash out and end a storied career. Of course, he isn't offering any hints. He says he'd like to credit golf or tennis for making him feel

turn to the job he had held for 24 years. In 2004, Delta Air Lines brought in board member Gerald Grinstein, then in his 70s, to run the airline. As for Lutz, at 76 he holds arguably the most important job of his long career. Now General Motors' vice-chairman, he's overseeing the carmaker's shift away from gas-guzzling trucks and SUVs.

Older executives often evince a been-there-done-that serenity. "I feel much freer about taking risks," says Harold Burson, who co-founded public-relations firm Burson-Marsteller in 1953 and at 87 continues to advise blue-chip clients. "The planet is not going to stop spinning if I'm wrong." And despite the conventional wisdom that people become more conservative as they age, Burson says he routinely rejects orthodoxy. For example, he encourages CEO clients to speak out much more forcefully on public issues, such as trade. "Fifteen to 20 years ago," Burson says, "I would have said, keep your head under the parapet and work the system."

Most senior executives cite the value of such intangibles as gut, patience, and perspective. They say younger executives often lack these. "Sure, younger managers don't have the advantage of experience," says Redstone. "But I find they don't study history to be able to make the best decisions for their companies." Others say the MBAs they work with are overly fixated on data and have had the creativity educated out of them. Siebert, who runs her eponymous investment firm, says young traders, having only experienced a bull market, are now unprepared to battle a bear. "They made money so quickly and in such vast quantities," she says, "that they didn't realize they could lose it twice as fast."

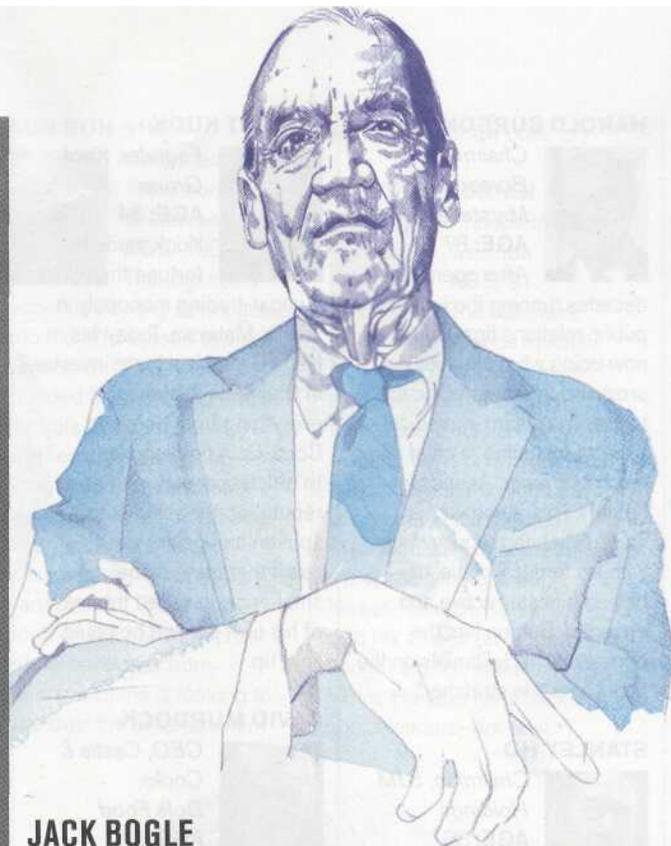
Finally, age confers on its wearer a certain immunity to internal politics. These folks can get away with saying things their younger colleagues would never dare. Lutz has become a kind of provocateur at GM. He was the only executive willing to push for an electric car despite GM's debacle the first time around. "One colossal advantage of being in extra innings is you can tell it like it is, say what you think, and largely eschew political caution," he says. "I often ask, rhetorically, if they don't like it, what are they going to do? Send me into early retirement?"

-With David Welch, Burt Helm, Jessica Silver-Greenberg, and Susan Zegel

## LINKS

### Cerebral Workouts

Want to stay spry in your old age? You could try playing mind games. Sales of so-called brain fitness software hit \$225 million last year, up from \$100 million in 2005, *The Washington Post* reported on Aug. 12. Prices range from as little as \$19.99 for Nintendo's Brain Age video game to upwards of \$2,000 for a touchscreen computer and software suite marketed by mPower Software Services. Trouble is, there is virtually no hard science to prove that these tech tools help improve cognitive health.



### JACK BOGLE

**Founder, Vanguard Group AGE: 79** Born with a congenital heart defect, Bogle was once told he wouldn't live past 40. He had a heart transplant in 1996, and though he is no longer his firm's CEO, he continues his role as a tireless advocate for the individual investor. He recently helped establish the National Constitution Center, a Philadelphia museum devoted to all things U.S. Constitutional. What keeps Bogle going? Partly, he says, the hope of being remembered. Which is why he writes books. His seventh, *Enough. True Measures of Money, Business, and Life*, will be published in November.

young but, in reality, "it's my work pace."

### LEO KIRCH



**Founder, Kirch Group**  
AGE: 81  
Six years ago, Kirch had lost

control of a media empire that included Germany's biggest pay-TV provider. Now he is back and giving German trustbusters palpitations. This year, he sealed a deal to air professional soccer and has regained influence over some of his TV and movie holdings. Kirch's eyesight may be fading, but not his nose for a deal.

### PAUL VOLCKER



**Former chairman, Federal Reserve**  
AGE: 81

Volcker broke two personal taboos this year. He signed on as an adviser to Democratic Presidential candidate Senator Barack Obama. And he earned applause from fiscal conservatives when he broke his long silence on Federal Reserve policy, questioning whether Fed Chairman Ben Bernanke was too quick to assist in the fire sale of Bear Stearns. Volcker continues to wield influence 21 years after stepping down.

## S.I. NEWHOUSE



Chairman,  
*Advance Publications*  
AGE: 80

The unassuming man who sometimes appears in Condé Nast Manhattan cafeteria clad in a sweatshirt? That would be Newhouse, whose family concern owns newspapers and Conde Nast Publications, which publishes *Vanity Fair*, *Vogue*, and *The New Yorker*, among others. Newhouse is a camera-shy man of few words in a business built on image and bluster. While Condé Nast's high-end magazines have held on to advertisers better than most, the company has been forced to retrench a bit of late, shuttering *House & Garden*, *Jane*, and *Golf for Women*.

## T. BOONE PICKENS



Founder, *Mesa Power*  
AGE: 80

Pickens is having the time of his life.

His BP Capital, an energy trading firm, has made him a billionaire. He's invested in water rights, wind power, and natural gas. He wants to lessen America's dependency on oil. And his autobiography, *The First Billion Is the Hardest*, appears this fall. Hard to believe that 10 years ago he had lost control of his oil company and was going through a nasty divorce.

## LIKA-SHING



Chairman,  
*Cheung Kong Holdings, Hutchison Whampoa*

AGE: 80

Li shows no signs of slowing down. Known for his well-timed asset flipping, he has constructed a global empire of ports, telecoms, power

generation, property, and retail. Worth more than \$18 billion, Li is one of Asia's most prominent philanthropists and a benefactor of Shantou University in China. Li says he plans to donate one third of his fortune to charity.

## WARREN BUFFETT



CEO, *Berkshire Hathaway*  
AGE: 78

The Oracle of Omaha continues

to keep investors everywhere spellbound. And why not? His company holds stakes in Wal-Mart and other big companies and despite a tough market last year posted 28% returns. Buffett has pledged most of his \$40 billion fortune to charity. And the uberinvestor remains a simple man who buys his suits off the rack.

## RUPERT MURDOCH



Chairman, *News Corp.*

AGE: 77

Fresh from acquiring Dow

Jones, Murdoch continues to scan the globe for opportunities, lately European TV stations and Indian newspapers. Recently he put his son James in charge of the European and Asian operations, taking off some of the pressure. As for quitting, "Roop" will have to be carried out, wingtips first.

## KUSHAL PAL SINGH



Chairman, *DLF Group*

AGE: 77

He is the czar of Indian real estate.

Two decades ago, Singh transformed a New Delhi

suburb into DLF City, a call-center hub. DLF says it has over 100 million square feet of land and is building 100 hotels. It has just opened India's first luxury mall in Delhi,

## TOM PERKINS



Founder, *Kleiner Perkins Caulfield & Byers*

AGE: 76

Perkins and his partners have backed countless tech giants from Genentech to Google. His novel, *Sex and the Single Zillionaire*, which ex-wife Danielle Steel had encouraged him to write, came out in 2006, and last year he penned a memoir, *Valley Boy: The Education of Tom Perkins*.

## MURIEL "MICKIE" SIEBERT



Founder, *Muriel Siebert*

AGE: 75

The pioneering woman on Wall

Street takes a long-term view when it comes to stocks—and does the same when it comes to her health. She works out with a trainer twice a week and gets a deep-tissue massage three times a week. Of course, caring for her chihuahua, Monster, who goes to the office every day, is a workout in itself.

## SHELDON ADELSON

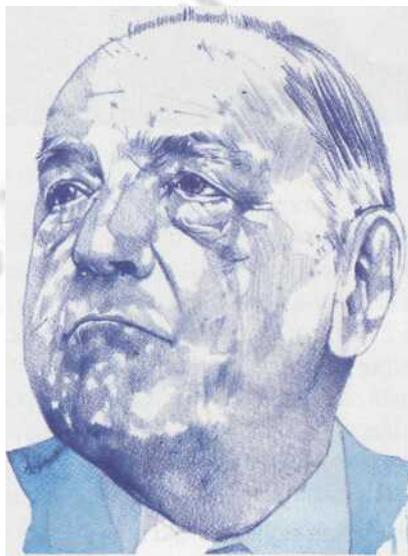


Chairman, *Las Vegas Sands*

AGE: 75

At an age where many people are

playing penny slots, Adelson built a gambling resort in Macao. Adelson suffers from a rare neurological disorder and uses a cane and scooter to get around. Still, he visits his properties, including casinos in Pennsylvania and five new hotels in Macao.



## ALBERT FRERE

Chairman and Managing Director, *Groupe Bruxelles Lambert*

AGE: 82 The reclusive billionaire has amassed a \$3.5 billion fortune and is the richest man in Belgium.

Known as a pioneer of cross-European deals, his most recent move was one of the most spectacular of his career. In July, Frere used his influence and 9.2% stake in natural gas producer Suez to help broker a merger with Gaz de France. The workaholic says his excellent health is as much a part of his success as his business acumen. A hunter, athlete, and lover of fine wine, Frere took up golf at 70. Retirement? He won't even say the word.