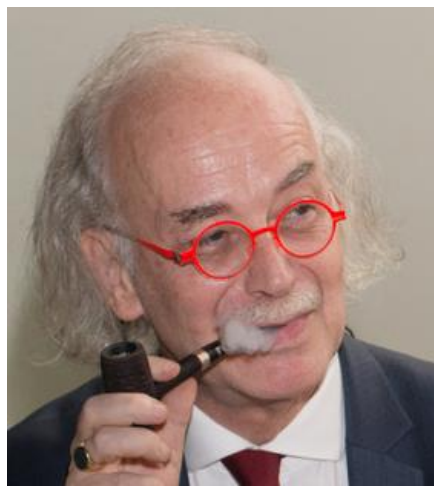




Member Interview



Name	Gordian Gaeta
Nationality	Austrian
Hometown	St. Johann im Pongau, as well as Hongkong
Education	Undergraduate Mathematics (TU Vienna), Magister iuris (University of Salzburg), Doctor iuris (University of Vienna), Post-Graduate Business Sciences (ETH Zurich)
In UAE since	2007
Employer	Working with various companies
Hobbies	Collecting antiques (modern Mexican silver, Ming Chinese furniture and wood objects), modern art (abstract paintings/brush work, abstract sculptures), old maps and prints, contemporary designer items - playing bridge (cards)
I am very proud and pleased of having achieved:	Two spectacular adolescent children, having some of my antique collection in the museum and/or published, my own publications and my reference/business library

Q: Today we are talking to somebody who, in my opinion, is known by everybody, but almost nobody knows what he is doing. Today's interviewee is Mr. Gordian Gaeta. Welcome, Gordian.

Gordian: Thank you very much, Werner. Thank you. Nice to be here.

Q: Gordian, tell us a little bit about yourself. What's your hometown? What's your education?

Gordian: Well, I claim to be a mountain farmer from Sankt Johann in Pongau in Salzburg because our family hut is there. But in fact, I was born in Paris. My mother was American. My father was a diplomat. And I grew up in Switzerland and then in a boarding school in Vienna. So it is not easy to say where I come from. After boarding school, I studied first mathematics in Vienna, then I studied law in Vienna, and then I started studying business sciences at the Institute of Technology in Zurich. (ETHZ)

I then joined the then largest Austrian bank Creditanstalt, which no longer exists, in the board secretariat. And I became the assistant to some former deputy prime ministers and finance ministers and worked in the institutional area mainly on legal matters with governments, the central bank, regulatory authorities, parliament and other matters. After a couple of years, I left and I joined Booz Allen & Hamilton, which was one of the leading consulting firms at that time, and I became the managing partner for Asia-Pacific Economic Policy and Financial Services.

And in 1998, I think maybe a bit later, I left them and I rejoined what I had been doing before, the private equity business, which is investing, advising and managing companies that are not listed and that tend to be small and medium sized enterprises up to a size of maybe 100 million dollars in assets. So rather small companies, sometimes a little bit bigger, but generally small. Now, everybody, as you said, everyone wants to know what I do. I have no idea exactly what I do. I can just say I'm very good at what I'm doing.

But principally we deal with problem situations. My specialty is to deal with complex equity problems in complex markets and complex markets are emerging markets, frontier markets. We have investments in countries like Laos, Cambodia, Afghanistan, Haiti, Lebanon, extreme difficult countries. And we do extremely difficult equity situations in the sense that there are distressed shareholder fights, situations in which you need third party advice.

And the reason we can compete - when I say we that means always in different combinations - is because we genuinely offer capital. We genuinely do something in combination with capital. We generally include capital, which we either bring ourselves together with partners or we bring it through negotiations with other companies that want to acquire a stake. So, we also sometimes do brokerage.

And in a nutshell, I do a lot of numbers, which is good, because since I studied mathematics, I understand numbers. We do a lot of modelling and we do a lot of negotiations. And since I'm also a lawyer, we do a lot of contract work and we do quite unusual contracts. So that's essentially what we do. I don't know if that's understandable, but that's what we do.

Q: *It definitely sounds interesting. Very interesting. I still don't know exactly what you're doing, but let's dig into that a little bit. Let's try it maybe from another angle. What's a typical working day for you?*

Gordian: Well, before I answer that, to make it simple, I'm essentially if you want to simplify it, a management consultant with capital for emerging markets and equity situations. So that's it in a nutshell. My typical day today is a little bit different. I sit on numerous boards, advisory committees, investment committees. Typically my day consists of two or three meetings with committees, either formalized or not formalized.

And the rest of the day consists of looking at the financials, the project analysis, progress reports of these companies and providing my input, either because I'm leading it or because I have some criticism. I'm very good at criticizing. And that's what I get paid for and adding new ideas. So typically, I will have every week, six to eight meetings with four to five companies. And on a monthly basis, I will have investment committees.

We have funds in different countries, in which I am on the investment committee. And on a quarterly basis, we would have more formalized board meetings and more general meetings and in between, I do a lot of modelling and a lot of quantitative analysis.

And then I also have another hobby. I also teach at university, not this year, but I teach at universities; I also write lectures, and because I teach at university, I also write books. So, at night I write books and then I have a number of people that actually call me for good advice as friends. So I spend a lot of time chatting to people about what they should be doing.

And I read a lot. I have a great library and I collect all of the interesting papers because I write a lot. I easily read two to three hours a day and I mostly read academic papers. So that's what I do. And that's how I stay up to date.

Q: You spent much time of your life in Hong Kong?

Gordian: Yes.

Q: So, in Hong Kong, you stayed for whom? For yourself already? Or for another company?

Gordian: I went there for a client as a consultant of Booz-Allen. And then the client thought that I was a smart cookie. And they offered me to pay me the same they paid the firm. But to me personally, if I wanted to stay with them. And I decided that it was a good idea. So, I stayed with them and founded at the same time a new consulting firm. And after three years, Booz-Allen decided it was too expensive for them and they bought me back and my firm. Then I ended up moving the client to Booz Allen again. But that's why I went to Hong Kong.

I went there in the early 80s and I started my private equity business, my personal equity business immediately. I made some investments in China and made some investments in Hong Kong, made some investments in Europe. And all of which have been sold or merged with other companies. And then Booz-Allen brought me back and we built a business across Asia Pacific.

Q: So what made you move to Dubai?

Gordian: Well, after the handover in Hong Kong, we had this reverse colonialism. I was honored to sit on the advisory council of the governor because of the economic policy. And as soon as the Chinese took over, we the non-Chinese had sort of a completely different role.

And I didn't like that very much. I thought that is not the future of Hong Kong. And as you know, I was also interviewed by Austrian television on what they thought about that. And I made it very clear that the handover was not, in my view, the most beneficial thing for Hong Kong. And everybody can see today why that is the case. I was just fortunate - being very close to the powers - that I saw what happened at that time, but nobody really cared about that.

And so, we left, and we set up a business in Bangkok. So we briefly went to Bangkok. And then I was looking for a home, a home where I can afford the taxes, a home where there is a lot of freedom from government and a home that is secure and safe.

We have horses in the family and therefore we wanted a place where the horses are looked after and the kids can be happy. And Dubai was the first choice. About twelve years ago, we moved to Dubai and I haven't regretted that ever. It is a great place and it's a great platform. And it provides essentially what I want; that is peace from interference and irritating bureaucrats. Not everything is perfect, but it's getting there.

Q: We know that you're a big fan of Dubai, you mention it all the time

Gordian: Yes.

Q: You are not shy to voice your opinion when you think it's necessary. So, it's always good to have you in meetings, at events. It's always interesting to listen to what you have to say. But now, apart from the fact that you can share a lot of knowledge, is there anything else that you could help other members of the business council with?

Gordian: Well, I think that when you reach a certain age like me, then first and foremost, you can share experience. And it doesn't have to be in speeches or presentations. It can also be simply by talking to people and people just have an easier access to you. I wouldn't entertain an hour's discussion with somebody that I don't know. But if somebody is from the Business Council, of course, I will try and help him.

And the second thing is connections. After 40 – 45 years in the rat race, you actually know a lot of things and a lot of people. And you can actually help people put connections together and in some cases even businesses. So you should see the sort of people like me, like the elder statesman that can help you with things that otherwise are a little bit difficult.

And now, since my specialty is to deal with things that are complex, it's sometimes useful to have someone to talk things through, some of the things that other people charge you for and then find it difficult to help you with. I think that's the most important thing that you can get from people who have had my experience in business.

Q: Gordian, we talked about your experience. We talked about it that you made a lot of things in your life. Is there anything that you are particularly proud of?

Gordian: When I was younger, I always wanted to write a big book, but at first, I always wanted to win an Olympic medal or become a state champion in sports. I didn't achieve that.

Q: In what sport?

Gordian: In anyone, I participated in sailing in the state championships and in squash. I was a ski racer, very untalented. Anyhow, a few things I tried, but it didn't work out. Then, I decided purely it should be more intellectual. So, the idea was to write a book. And so about 20 years ago, I wrote my first independently published book on mathematical modelling of credit risk and risks in the world and that did quite well. And I wrote a second book. So, the one thing I'm pleased about is that when you go to the web, you immediately find the book. It's well-known and its part of the curriculum at U.S. universities.

That's something that's forever and that's something I'm quite pleased about. Not everybody can do that. It's another kind of work, but it's worthwhile.

Q: Gordian, thank you very much. That was a very interesting, very insightful. Thank you very much for this interview. And as you mentioned, people can approach you. So, I can only encourage people to talk to you, to make use of your large wisdom.

Gordian: Yes but don't encourage them too much because time is limited. But I'm always happy to help an Austrian. I am always happy to interview an Austrian. I'm always happy - and I have done so in Hong Kong, where I was vice chairman of the association. - within limits to help.

So, by all means, that's one thing that I can contribute. Thank you very much for your time and good luck and thank you for all the good things you're doing for the Austrian community. It is important. If you have been an expatriate for 45 years, it really is important that there's a little bit of a home place in which people can rally and talk to each other and feel a little bit like at home and get some mental, moral and physical support and you are doing a great job.

And this interview series is great. And many of the things you're doing is great. So keep it up. And if you need help, I'm always here for you.

Q: Thank you very much, Gordian.

Gordian: Thank you. Bye Werner.