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A sense of duty and faith in the future

Rob Cameron, founding partner of the influential investment banking firm Cameron Partners, could have made his fortune overseas.

Graduating from Victoria University with a Bachelor of Commerce and Administration in the early 1970s, he joined the public service and then won a Harkness Fellowship to study at Harvard University.

After taking a Master of Public Administration and a stint at the respected Brookings Institution, a Washington DC think tank, opportunities abounded including a role at the United States Treasury.

But Cameron decided to return home.

In the latter days of Robert Muldoon's administration, it was not an easy choice. Inflation was surging and the country's debt to the rest of the world was mounting by the day. The economic prospects looked bleak.

Certainly, Cameron was still bonded to the Treasury but he also felt an obligation to New Zealand.

"I felt strong draws of family and professional issues. At that stage, New Zealand was going through a horrendous time ... and I felt a need to come back and get myself involved in the debate and work in that area. It was sense of doing the right thing."

The return required a degree of optimism. So, it is perhaps no surprise that he is unperturbed by the recent raft of foreign, and particularly Australian, takeovers of local companies.

Cameron, 56, dismisses fears that the trend will eventually turn New Zealand into a satellite economy of Australia, exacerbating the trans-tasman flight of the best and brightest.

The trend is driven to a large extent by Australia's compulsory superannuation regime, which has created a vast store of savings needing to find a home. But New Zealand business will not be swamped by such a flow of cash as local knowledge, contacts and innovation will continue to create bright opportunities.

Cameron Partners, the firm he founded after 11 years with broker Jarden and Co and later Sir Michael Fay and David Richwhite's investment house, is a case in point.

Despite its relative size - it has four partners - the firm has carved a role for itself in some of the country's most high-profile transactions. Its most recent mandate is advising the Contact Energy independent directors as they navigate their way through a merger proposal with Australia's Origin.

It provided similar services to the Carter Holt Harvey independent directors as they considered the hotly contested takeover of the forestry giant by billionaire Graeme Hart.

Indeed, its client list is a who's who of New Zealand business.

"We do not pretend to provide the access to global capital to our clients, but what we do provide is local knowledge and networks that the global banks cannot provide. That will be the same for a lot of other professionals and companies in New Zealand," Cameron said.

Similar opportunities will develop in capital markets. The emergence of private equity in New Zealand as well as new securities trading platforms will point the way. (Cameron helped with the development of the Unlisted trading platform that competes with the NZAX market.)

"Globally, we are seeing greater moves towards investor protection but those levels of investor protection impose significant costs on the corporate form. For larger enterprises, they can absorb them but for smaller and medium-sized businesses it's much more of a challenge," Cameron said.

"Will New Zealand be hollowed out? No."

Cameron leaped to prominence when he was appointed chief negotiator for the Government on the recapitalisation of Air New Zealand in 2001. He and another Cameron partner, Murdo Beattie, spent the "best part of a year" arranging an \$885 million injection to shore up the airline's balance sheet after its disastrous adventure with Australia's Ansett.

The deal underscored Cameron Partners' links to the Government, which have since extended to providing advice to Government agencies and state-owned enterprises.

Cameron himself wrote a piece for SOE bosses on how these businesses should develop if they were not to be sold - what he calls the Government's policy of a long-term hold. (This is in sharp contrast to the original objective of the SOE model, which was seen as a first step towards privatisation.)

He recommended that the Government appoint SOE chairmen and then leave the enterprises alone to run themselves; an enhanced information disclosure regime and greater links to capital markets including SOEs issuing forms of equity. These measures would enhance scrutiny, reduce political interference, boost performance and even release capital for the Government to invest elsewhere.

Cameron wrote the paper in 2004 but is confident his views will gain traction. "We have taken a lot of time to think about the SOE model and how it should evolve. I think our proposals are in the initial stages of evaluation."

He is confident the firm will retain its influence should a different set of politicians occupy the Treasury benches.

"We like to think that we are pretty neutral, we like to think that we have links with both sides."

Cameron's sense of public duty - a quality he says he inherited from a father who fought in Italy during World War II - extends to duties beyond Cameron Partners. He sits on the Victoria University School of Government advisory board and is a trustee of Special

Olympics New Zealand.

"My father was a chief executive [of Petone-based Gear Meats] when he was very young. I remember asking Dad as a young kid why was he able to become a chief executive so young and he said, 'Rob it's because a lot of my cadre are dead.' He had much less a sense of political philosophy than a sense of what it means to be a New Zealander.

"I would still like to think that there are obligations for New Zealanders to put something back into the community. That doesn't necessarily mean you have to do it here, but I think where there is an opportunity you should try to do the best you can."

Meanwhile, Cameron says his firm, the occasional game of golf and regular mountain bike trips around the hills of Wellington should keep him occupied for the foreseeable future.

"I have probably inherited a work ethic,"e said.

"I feel young enough that there are probably a number of years ahead of me."

Rob Cameron

Age: 56.

Founder and partner of Cameron Partners.

Married:

Maureen (1972).

Two sons and a daughter.

Education:

Hutt Valley High School.

Victoria University BCA (Hons).

Harvard University, Master of Public Administration.

Career:

1974-1975: Roles at Ministry of Trade and Industry including periods seconded as private secretary to successive ministers Joe Walding and Brian Talboys.

1976-1984: In 1979 wins a Harkness Fellowship to Harvard and studies in the US until 1982.

1984-1986: Jarden & Co, variety of broking roles.

1986-1995: Fay Richwhite. Head of investment banking.

1995-present: Cameron & Co, which later changed its name to Cameron Partners.

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