

Big names and billionaires at grand lunch

Round table

John Stensholt

It was the sort of event that billionaire mining magnate Gina Rinehart could promise to bring "my banker" along to, and for that person to be ANZ boss Shayne Elliott.

And it was also a rare luncheon at which Mrs Rinehart was not even the wealthiest person in room.

That honour went to the host Anthony Pratt, the executive chairman of manufacturing giant Visy Industries, who, along with *The Australian Financial Review*, put on a star-studded Superfunds Round Table in Sydney on Wednesday.

The lunch featured three billionaires: Mr Pratt; his good friend Mrs Rinehart; and Linfox trucking and logistics magnate Lindsay Fox, who together speak for combined wealth of \$29 billion on the Financial Review Rich List.

They were joined by other big names such as former Prime Minister Paul Keating, Macquarie Group chief executive Nicholas Moore, JP Morgan chairman Sir Rod Eddington and Bega Cheese executive chairman Barry Irvin.

Mr Elliott, who even sported a bag adorned with the logo of Mrs Rinehart's massive Roy Hill iron ore project which ANZ has pumped more than \$1 billion into, was joined by the likes of Treasury secretary John Fraser, Westpac Institutional Bank CEO Lyn Cobby, AustralianSuper chief investment officer Mark Delaney and Cbus Super head of debt Linda Cunningham.

The lunch was sparked by *The Australian Financial Review's* revelation earlier this year that Mr Pratt had struck a groundbreaking deal for his private manufacturing giant Visy to

raise \$150 million in long-term debt from two Australian superannuation funds, AustralianSuper and IFM Investors.

Visy has built a big business, Pratt Industries, in the United States over the past two decades funding the building of several paper mills with money raised in long-term, 25-year debt from US super funds.

Just last week, Mr Pratt said, "in Ohio we had a superannuation fund bond raising of \$200 million of 30-year debt for our next paper mill and we were oversubscribed by \$4.8 billion. The debt is a mixture of tax exempt bonds and taxable bonds." He said he would like a similar market to develop in Australia, with Visy's group finance director

Vin O'Halloran telling the lunch: "We can go to Cedar Rapids in Idaho and raise \$100 million easily but not in Collins Street in Melbourne."

Mr Fox, who had earlier regaled guests with a quick rendition of Bob Dylan's *Mr Tambourine Man*, said Linfox would welcome the further development of the bond market in Australia so his company could build more warehouses. But he also lamented his firm, like many others, usually stuck to traditional local funding operations and had been reluctant to source funds offshore like Visy.

"You try going home tonight and getting in your wife's side of bed and see how you go. We're creatures of habit really and business is like that too," Mr Fox told the audience at Mr Pratt's Sydney penthouse overlooking the Opera House and Sydney Harbour.

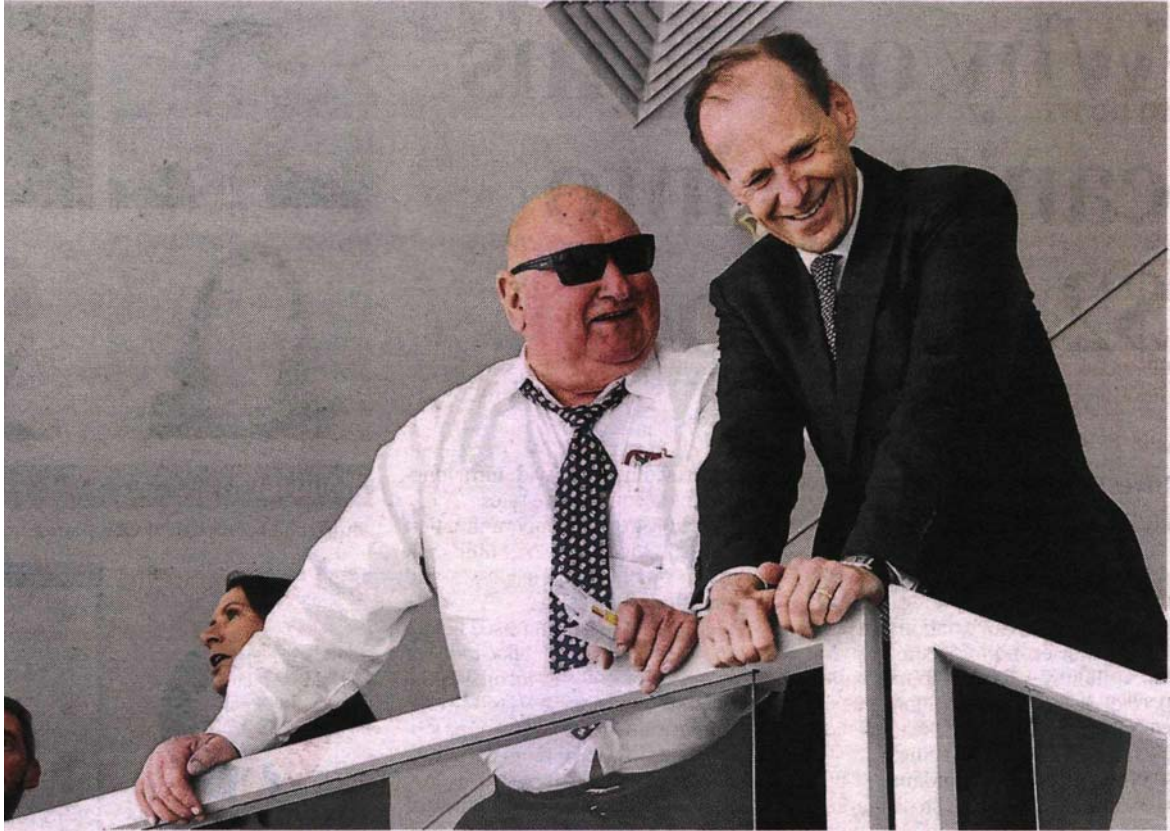
Mrs Rinehart welcomed Mr Pratt's idea, while Mr Moore called it a "great initiative" and Mr Eddington said it was "an idea whose time has come."

As for Mr Pratt, he said he was

"buoyed" by the positive response from the group. When asked when he will do his next funding deal with Australian super funds, he exclaimed: "As soon as possible."

You try going home tonight and getting in your wife's side of bed and see how you go.

Logistics magnate Lindsay Fox



Lindsay Fox of Linfox with ANZ's Shayne Elliott at the event. PHOTO: PETER BRAIG