

## Chapter 1

# *From Poland to Shepparton and beyond*

**R**ichard Pratt (born Ryszard Przewicki) was born in what was then known as the Free City of Danzig on the Baltic coast of Poland in December 1934 to Jewish parents Leon and Paula Przewicki. Events in Danzig were something of a precursor to the storm that would rain down on Europe in the late 1930s. Although firmly part of Poland, situated on the mouth of the Vistula River that runs through Warsaw, it also has strong links with Germany. During the Middle Ages it was a member of the Hanseatic League of predominately German cities that dominated trade in the Baltic. In the centuries that followed its administration moved between the Germanic state of Prussia and the Polish kings. Prior to World War I it had been part of Imperial Germany and following the recreation of Poland after 1918 it took on the

status of a 'free city', a small, almost independent state in its own right.

Danzig was not given to the new Polish state in 1918 because around ninety-eight per cent of its inhabitants were German. As Hitler rose to power he demanded the return of Danzig to German control and he sent his henchmen to watch the city's Jewish community in what was an early sign of the bleak future for European Jewry under Nazi domination. From the mid 1930s the Jewish population, wisely as it turned out, started to leave Danzig for Britain and other parts of Europe. World War II actually began in the city when the German battleship *Schleswig-Holstein* bombarded Polish positions at Westerplatte.

Post-World War II the city was fully integrated into communist Poland and went by its Polish name, Gdansk. It was famed for the rise of the Solidarity trade union at its Lenin Shipyards in 1980 under the leadership of Lech Walesa. The movement was the first independent union in Eastern Europe since before the days of Soviet domination. Its activism proved so successful that years of martial law could not crush it and by 1989 it was the main opposition to the Polish communist government. Elections that year saw a Solidarity-led government and in December 1990 the shipyard electrician Walesa was elected Polish president.

Danzig was a vibrant place with a traditionally open culture, and the Pratt family were loath to leave it. For years Leon Pratt ignored the darkening clouds of Nazism and clung to life with his bike shop in the port city. Eventually, he could no longer ignore the danger and in 1938 made his way to London. He left Paula with enough money to follow him later when he sent for her. However, some months on when he sent

word for her and young Richard to come there were major problems. The outflow of Jewish refugees as the situation in Europe worsened meant host countries were shying away from accepting people. Paula approached a number of consulates but could not find one that would give her and three-year-old Richard a visa. In the end the Swedish consulate obliged and, with the help of a kindly stranger at the port of Danzig, she found berth on a ship that took them to London. Later Richard would say he had ‘escaped the Holocaust by about five minutes’.

The years of Poland’s Nazi occupation would wash away the world Richard Pratt was born into. Pre-war, Poland was the centre of Jewish culture and traditional learning, and Polish Jewry’s 3.5 million people made up ten per cent of the nation’s population. Between 1939 and 1945 ninety per cent of them were killed and most of the rest fled, leaving only a few thousand Jews in Poland at the war’s end. The religious scholars in their *yeshivot* (study houses), the writers and performers, the Yiddish theatres, and the traders and industrialists who had created so much of the material and spiritual wealth of Poland were gone, never to return.

Richard Pratt would eventually return to Poland as an adult, though he clearly, like many Polish Jewish émigrés to Australia, had mixed emotions about his birthplace. As a leading international business figure, he was offered Polish citizenship, which he declined.

In London the Pratts discovered that Australia—through the offices of the then federal interior minister John ‘Black Jack’ McEwen—was allowing Jewish refugees to enter the country. Sailing on a liner called the *Orontes* the young family arrived in Melbourne with 2000 pounds and looked for a way

to make a living. They found accommodation in a rooming house in St Kilda, but try as he might Leon could not find a suitable job. He was advised that there was a small Jewish community in the Goulbourn Valley town of Shepparton, in northern Victoria, that had managed to get a foothold in the fruit business, which sounded like a good opportunity. One day Leon arrived home to tell Paula he had put up their 2000 pounds as a deposit on a sixty-acre fruit block at Shepparton. Despite their predilection for urban life, the Pratts, as they now called themselves, headed for country Victoria.

In Shepparton the Pratts were guided by a successful fruit grower named Moses Feiglin. He helped them settle on the fruit block and asked their new neighbour Tom James to take the family under his wing and show them how to make a living in what to them was a totally alien environment. Tom agreed and the Pratts got a start in their new life. The James and Pratt families lived in identical weatherboard cottages separated by a small irrigation channel, and Richard became very close to the neighbouring family.

Tom James had five sons and Richard became lifelong friends with the youngest, William 'Digger' James. 'Richard was my little brother, my little mate', Digger recalled. 'He picked up English very quickly because he was a kid and going to school, and he became the spokesman for the family.' Richard quickly took to farm life and later would reminisce about his days picking peas, digging irrigation channels and driving produce to town in the family truck at the age of thirteen. Digger remembered hearing young Richard singing in the fields as he went about his work.<sup>1</sup>

The relationship with Digger James was to be a highly significant one. Digger, as his nickname suggests, carved out a

distinguished military career reaching the rank of major general, serving as the army's chief medical officer and becoming the national president of the RSL. He served in the Korean War where he tragically lost a leg. Richard was nothing if not loyal to the friend who had introduced him to Australian life, regularly visiting him at the Heidelberg Repatriation Hospital in Melbourne while Digger was recovering from his wounds, and carrying his disabled friend to his car and taking him for a drive.<sup>2</sup> On retiring from the army in 1985 Digger ran a Visy factory in Brisbane, and, at the age of seventy-nine, still works three days a week for Visy.

Farm life did not really agree with the Pratts. They were used to a more cultured existence but stuck with the fruit block until the late 1940s. Leon Pratt was an entrepreneur and started looking for other possibilities to boost the farm income. He came up with making boxes for local growers to pack their produce in. At first he made them from wood but later moved to cardboard. When Richard was sixteen the family hitched its wagon to the box business and moved to Melbourne to set up a box factory in a small shopfront in the then industrial suburb of Fitzroy.

Behind every great business empire there is more than one person or more than one family. In the case of the Visy group, it was not entirely a Pratt family operation in the early days. Richard's uncle, Max Plotka, had joined the family in Shepparton after moving from Europe and was part of the move into box making. Digger James later described him as having been damaged by his war experiences. He bore a concentration camp number tattooed on his arm and did not take to country life, moving to Melbourne and marrying Ida Visbord. Starting out in the box business in Melbourne

Max and Leon met an engineer named Les Feldman, and the Feldman family joined the partnership as well. Together they created what was the beginning of the Visy empire.

In the early days Visy was not what you would call a sophisticated corporate operation. To go into box production the company needed a corrugator—a machine that turns paper into cardboard. As none was available Leon, Max and Les approached two engineers, Bill and Ken Allen, and asked if they could build them one. The Allens' younger brother Leon, who worked for many years at Visy, later recalled, 'My older brother said yes [they could build a corrugator]. We didn't even know what a corrugator was and our factory was only fifteen by twenty feet'. Ken Allen was a practical guy and set to work fulfilling the order. He worked out what a corrugator was and began to design one. 'We used to draw our plans on the floor with a piece of chalk. The only problem was we'd just finish a drawing and someone would come and sweep the floor', Ken later remembered.<sup>3</sup> The Allen brothers built the first machine from scrap metal from Ma Dalley's famous scrap yard in North Melbourne. The rollers were made from old gun barrels. When it was finished Leon Allen left his job at Kodak to set up the machine and oversee the running of it, becoming one of Visy's first non-family employees.

Eventually the Pratts bought out the two partners, but, not surprisingly, there have been tensions between the families over who did what in the early days of Visy. The most public tension has been between the Feldmans and the Pratts. Les Feldman, one of the original directors of Visy, publicly campaigned in the 1990s to detail the family's role in the formative years of the company. Feldman wrote to *BRW*

magazine detailing the family's early working life in the corrugated board industry and their relationship with the Pratt and Plotka families. The Feldmans clearly believed they had not been given due recognition for their early role in the development of Visy, with Les Feldman claiming that at the time of Visy's foundation he had more experience in the corrugated board sector than anyone else in the group.

Although the Feldmans left Visy in the late 1950s to go to Israel, the link between the two families was not broken at this time. Indeed, the relationship remained cordial with the Feldmans later selling another company, Cardboard Tubes and Cartons, to the Pratts. Richard was obviously working on improving the relationship between the founding families in 2002, when he introduced the Feldmans into Visy's official history. Visy's Director of Sustainability and long-serving Pratt family confidant Tony Gray says the Feldmans were never excluded from the story, rather, they simply did not make it into the abbreviated versions of the company history that had been published. For the record, company documents from 1950 list six directors: Leon and Paula Pratt, Max and Ida Plotka, and Jack and Leslie Feldman.

The Feldman family has also claimed that the name Visy Board, as the company was originally known, came from a Les Feldman idea that they were working with 'visible boards'. However, the accepted source of the name is Ida Plotka's maiden name, Visbord. Ida had invested 100 pounds in the business in its early days.

Whatever the finer details of the story, it is clear that Visy, in the days when the Feldmans, Plotkas and Pratts were working in association, was little more than another of Melbourne's 'backyard' manufacturing companies that dotted the city

until the 1980s. It was under Richard Pratt that the company became a multinational, employing almost 9000 people. The change to Visy's history in its 2002 annual review cost Richard nothing, but clearly gave greater recognition to the Feldman family, giving them a place in the economic history of Australia.

Leon Pratt was an entrepreneur and taught his son everything he knew about business. Richard was a natural salesman and started working in the business in 1952 at the age of eighteen. Leon, from whom Richard inherited drive, discipline and the capacity for hard work typical of many migrants, and his Uncle Max Plotka imbued Richard with a sense of pride in running a successful business. He also gained a large dose of business acumen from his mother, Paula, who was closely involved in the development of Visy in the early days.

Leon taught his son the value of engaging with clients, an approach he would develop into the massive parties Visy still throws today. Leon would often get box buyers together at his Albert Park flat and give them gifts of the gadgetry he loved to collect. It made dealing with the Pratt family popular among the buyers and helped the business grow.

A hard worker, Leon drove his son to produce the results he wanted. Observers from those days report that he did not always approve of Richard's extracurricular activities and wondered out loud at times whether he was the right man to take over the business. Richard was a high-spirited young man who liked a good time. Cliff Powell, a lifelong Visy employee, described the young Richard Pratt as 'the wildest young man I've ever seen'.<sup>4</sup> Other Visy employees from that era worried that as a salesman he drove his FJ Holden so fast he was risking his life. However, like Kerry Packer, another

successful businessman who was underestimated by his father, Richard was to take the business to new heights unimaginable when his father ran things.

Richard was an enthusiastic and talented salesman with a gift for understanding what made people tick. He could laugh and schmooze with people, and loved telling stories and jokes. In his early years at Visy he brought in prized new customers such as the Rosella, Kraft, Heinz and Tom Piper food labels. He did not pay great attention to detail, though, and tended to promise customers delivery times that were too quick for the factory to meet, which caused some friction between father and son.

After the family moved to Melbourne Richard attended University High School, a coeducational selective school that took students with strong academic abilities. He excelled at athletics and football and was made a prefect. Long-time friend and current Chief Executive of The Pratt Foundation, Sam Lipski, was at University High with Pratt but was three years younger. He recalls that the school held religious instruction classes for the different faiths represented in the student body. The first time Lipski attended the Jewish religion class he was surprised to see Pratt walk in. 'My God, Pratt's Jewish', he thought, surprised because Jewish sporting champions were few and far between at that time.

Even at high school Pratt was a natural leader. 'Wherever you looked he was captain of this or had won a school medal for that', recalls Sam. 'He was good at footy, cricket and athletics, he was in the choir and the school play, he was house captain and he became a prefect. He was so exuberant and extroverted. He was strikingly built and had that presence. When Richard came into a room you knew he was there.'

Pratt did two years of matriculation at University High, graduating in 1952. He then moved on to The University of Melbourne to study commerce. Academic life did not agree with him, however, and he left to work in his father's business. Sam Lipski observed of his university days, 'Richard couldn't sit around waiting to finish; it's not in his temperament to wait for things to happen. He wants things to happen now!' Despite his early exit from university, Pratt went on to receive several honorary degrees later in life. These include an Honorary Doctorate in Engineering from Monash University, an Honorary Doctorate for services to education and the community from Swinburne University of Technology, an Honorary Doctor of Laws from Melbourne University, an Honorary Doctoral Degree for business leadership, philanthropy and water research from Israel's Ben Gurion University of the Negev, and an Honorary Doctorate for his support of the institution and Israel from Hebrew University.

While at university Pratt discovered a new love—acting. He took part in university reviews and became part of the Union Theatre Repertory Company, the precursor to the Melbourne Theatre Company, which in those days was based at Melbourne University.

Australian playwright Ray Lawler directed at the Union and was looking for someone to play Hal Carter, a former football star turned drifter, in the William Inge play, *Picnic*. In footballer and burgeoning actor Richard Pratt he found his man. The casting was a success and in 1955 Lawler offered him a part in his own ground-breaking play *Summer of the Seventeenth Doll*. The play, which depicted crumbling relationships and fading idealism in the conformist 1950s, was a huge success and became one of a handful of Australian plays known worldwide.

The role of Johnnie Dowd, leader of a cane-cutting gang, down from Queensland to spend the layoff season drinking and womanising in the city, promised Richard a fast track to a life on stage and screen.

He accepted the part and a successful season in Australia was followed by seasons in London and New York. The play was a hit in London and while in that city Richard met Max Shavitsky, a young Australian doctor who was impressed with Pratt's thespian abilities and acclaim. A full-sized picture of the young actor was, at that stage, hanging in the window of a West End theatre and his social circle included Sir Laurence Olivier. New York audiences were less impressed, unable to understand the Australian accents and the foreignness of the play. However, actor Burt Lancaster, who had an interest in a film production company called Hecht Hill Lancaster, was impressed enough with the muscular young actor with the rich baritone voice to invite Richard to Hollywood for a screen test for the movie *The Unforgiven*, which was released in 1960. Richard did not get the part, but the company did offer him a studio contract that would have tied him to the company for seven years and was considered a 'slave deal' in the industry.

Max Shavitsky had become a friend and confidant to Pratt, and helped him to negotiate his acting career. 'We used to discuss it quite openly', recalls Max. 'There was a certain romanticism involved. But during this time, he kept receiving letters from his father. They would be along the lines of: "We've got a great business here. It's an expanding business. Your position is to come back and work for it. Stop listening to this rubbish about going into acting. You have to make a decision"'.<sup>5</sup>

Pratt chose to return to Australia and the family company in early 1958. ‘In his heart, his loyalty to his family became the main factor [in his decision to quit acting and return home]’, says Shavitsky. ‘Loyalty and obligation.’<sup>6</sup> Richard’s career as an actor did not come to a complete stop—he made a brief comeback in 1959, playing Moe Axelrod in a production of Clifford Odets’ *Awake and Sing* staged by Melbourne Jewish theatre company The Habima Players (Habima is Hebrew for the stage) and directed by Neuman Jubal, a giant of Viennese theatre in the 1930s.

While Pratt liked the stage, performing in about twelve plays during the 1950s, to him the vagaries of the acting life paled next to the possibilities he knew awaited him in the family business back in Melbourne. Ray Lawler says, ‘[He] had a choice of being an actor or a multimillionaire’; Richard chose the career with a more certain course.<sup>7</sup>

He continued to enjoy a long involvement with the arts, culminating in his years as chair of the Victorian Arts Centre and his support of his wife, Jeanne, as chair of The Production Company. His colourful and diverse early days clearly infused his later life with interests in the wider world that many businesspeople find hard to develop. He found it amusing that management consultants began looking at areas such as the arts or music as models for developing creativity in the workplace. Said Richard in 2004, ‘Fifty years ago I was in London working on stage at the West End and going to every play I could afford on my days off. I saw them all—Laurence Olivier and that whole generation of actors. It was a marvellous experience, and it was part of my education’.

The Visy Richard Pratt returned to in 1958 was a very different company from the one he had left three years earlier.

Business was booming as the consumer revolution swept post-war Australia and production had skyrocketed. The old Fitzroy factory had been abandoned for larger premises, first in Preston then in Thornbury, the machinery was running twenty-four hours a day and Leon Allen had been joined by seventy other workers. The Thornbury factory was getting to be too small, so Leon Pratt had purchased a large site in Reservoir and had built a new factory, soon to be the major production facility for the company.

Leon established a culture of learning and self-improvement in the company that continues today. Two workers from those times, George Robertson and Rod Ledger, were told by Leon that they needed to upgrade their educational qualifications, so they completed three one-year courses. They would show Leon each new certificate and were told, 'I must pay you more money because you know much more'. Pratt senior also invited them and their girlfriends to his home to be wined and dined during what they later described as a very enjoyable evening. This culture of making the staff and main customers feel valued was important to the Pratt family, and the tradition of extravagant Christmas parties that became so famous during Richard's time at the helm actually began under Leon in 1957. He and Paula held a Christmas party at their Kew home for some staff and key clients including Kraft, Tom Piper and Unilever.

There was an awkward moment early in the evening when no-one knew how things were to proceed. Richard, the natural entertainer, was away in New York and there was not even a piano for entertainment. Cliff Powell, at that stage a new employee, took the initiative and decided to sing. He sang 'Some Enchanted Evening' and 'Old Man River', and then with his wife Gwyneth sang 'Paradise for Two'. The idea

took off and the following year Richard and Powell teamed up for a duet. For decades the two sang duets at Visy events and Richard Pratt's solo performances at company functions were one of his trademarks.

Giving up acting and returning to Visy marked a turning point for Richard Pratt. He stopped being the wild man of his youth and settled down to business. He had a reputation for being quite a rake, but in 1959 he met a young Sydney journalist named Jeanne Lasker, who had written for *The Daily Telegraph*, then owned by the Packer family, and had a strong reputation in the media. She was born in 1936 in the little Polish town of Lowicz, not far from Gdansk, and came to Australia as a baby with her parents.

The two had quite an effect on each other and within three days of meeting they were engaged. 'He was the best-looking young man you've ever seen, drop-dead gorgeous but also quite shy', Jeanne later remembered.<sup>8</sup> In June 1959 the couple were married and over the next four years had three children. Anthony was born in 1960, Heloise in 1962 and Fiona in 1964. In 1974 Jeanne came out of journalistic retirement to work on the program *No Man's Land*, a half-hour news and current affairs program on Channel Nine, produced and staffed totally by women.

Jeanne's entry to the program was said to have been preceded by a call to presenter and producer Micki de Stoop from Nine owner Kerry Packer asking if she would agree to the move. De Stoop apparently had high regard for Pratt and agreed. Jeanne had ambitions beyond the average run-of-the-mill journalist, telling a colleague at one point that she wanted eventually to buy a television station and working on the show would be good experience. Workmates considered Jeanne to

be a diligent journalist, although she was unfamiliar with television journalism when she arrived. She was older than most of the other reporters and was considered generous in sharing her life experience with them. Susan Peacock, then wife of former Liberal leader Andrew Peacock, was also a reporter on the program.

Jeanne suggested the program's weekly staff meeting, generally held at the Bridge Hotel in Richmond near the Nine studios, be held at the Pratt home instead. The young journalists were stunned by the size of the house. At one point Richard appeared to say hello, and someone asked him what he did. He modestly replied that he made cardboard boxes.

*No Man's Land* was no lightweight show. On one famous occasion one of its reporters, Gail Jarvis, later a television executive, wanted to get an interview with Frank Sinatra during his famous 1974 Australian tour, marketed as 'Old Blue Eyes is Back'. Certain he would not agree to the request Jarvis hired a white Mercedes and a driver and drove to Tullamarine airport dressed as Sinatra's then partner Barbara Marx. The impostors managed to infiltrate the star's motorcade, following his car, and on the freeway began taking pictures of him. Sinatra realised what was happening and drove straight to Festival Hall, where a mix up saw him having to run the gauntlet of female journalists as he entered the building. As a result he made his infamous 'hookers of the press' remarks on stage during an abusive monologue, triggering union bans on his tour.

The farce ended with Sinatra dashing to the airport to get out of town. At Tullamarine a throng of journalists and then ACTU chief Bob Hawke stood on the tarmac expecting a negotiated settlement that would allow Sinatra's plane to

depart. But the feisty crooner ordered his plane to leave, disregarding Hawke's command to the control tower that it be blocked. Sinatra took off for Sydney while in Melbourne the newspaper headlines screamed 'Old blue eyes is black'.



As the 1960s wore on, the founders of Visy moved into ill health. Max Plotka passed away in 1966 and Leon Pratt was stricken with bad asthma, which started to shorten his work days. In 1969 he too passed on, and direction of the company went to Richard. Paula worried about her son's ability to carry out his new responsibilities. There was no doubting Richard's skills as a salesman, but he was only thirty-four, was not a man who liked to keep up with administrative detail and there was doubt in the minds of some as to how much he knew about the company's accounts and financial position. Paula asked a family friend, Leon Lunski, who had played cards with her late husband, to act as a mentor. He was reluctant as he had recently retired after developing and selling a chain of eight cake shops at the age of fifty-five, but eventually agreed to help out for one year.

Visy at that stage was a company turning over \$5 million with only one plant at Reservoir and the doomsayers predicted the company was now through. Competitors wanted to buy Visy and some told Richard he was not half the man his father was. However, the concerns some harboured about Richard's abilities were soon put to rest. He may not have been great with detail but he made up for that with drive and determination and was full of ideas, as Leon Lunski was soon to discover.

Lunski had had a tough life. Polish born, he had served in the Polish army during World War II, and survived Russian slave labour camps and prisons in the Arctic Circle. He had lived through the communist takeover of Poland after the war and had made the adjustment to living in Australia. In old age he told Sam Lipski that after his war experiences he thought he would never find anyone who could scare him, but that his first year at Visy was a real challenge. He had, 'survived the Germans and the Russians but had never come across anyone as powerful and strong willed as Richard Pratt', he told Lipski.<sup>9</sup>

The main source of angst for Lunski was that Richard came up with fifty new ideas at every weekly meeting and charged Lunski with implementing them. This, of course, was impossible and the worry stopped him sleeping at night. Eventually he learned that Pratt came up with many ideas but wanted those close to him to simply find which one would work and implement it. Lunski stayed on after the first year, becoming 'the feared purchasing manager of the company. He'd squeeze till the pips hurt. It didn't matter whether he was buying paper clips or paper machines', Lipski recalled.

Although Richard Pratt was a man of many talents who could have pursued several different careers, he ultimately threw his lot in with the family business. Partly because he realised it was how he could make the most of his talents in terms of financial and personal achievement, and partly out of a sense of duty to carry on what his parents had started, and in doing so build a base of stability and prosperity for future generations of the Pratt family. Visy was to become his life, his love, his obsession and the vehicle that would take him to places he could not have dreamed of as a young man.

