

BOND

The Business Career of Alan Bond

TERENCE MAHER

1. Early 1950s - School in England

Alan Bond was born at Ealing, London on 22nd April 1938. He was the second child born to Kathleen and Frank Bond following the birth of their daughter 18 months earlier.

Frank Bond was Welsh, and had begun his working life in the South Wales coalmines. Kathleen Bond nee Smith was the daughter of a physician and conservative politician of some note. In London, Frank Bond found work as a painter and decorator. In the Second World War, Frank Bond enlisted as a PT. instructor in the Royal Air Force responsible for training commandos. In 1944, he was badly wounded in action and lost a lung. He was told that for health reasons, he would have to move away from London's damp climate.

Alan Bond attended primary school in England and seemed to do well enough. However, when he was twelve years old, the family decided to join more than one and a half million Britons who were going to Australia as assisted passage immigrants. This decision was made partly to improve his father's health, and partly to give them the chance to start afresh after the war had ended. On arriving in Fremantle, Alan Bond hated the place and missed London.

Fremantle at that time was most definitely a working class town. The union influence in the area was powerful, and wharf laborers dominated the town's population. It had a reputation throughout Australia as a hard town in a very hostile environment. However, Fremantle was an extremely busy place as everything the settlers needed had to be shipped in from Eastern Australia while exports from Fremantle included gold, wool and tons of wheat.

2. Mid 1950s - Early Fremantle Days

Alan Bond started school in Australia as a sixth grader. He was no doubt quite a handful. At one stage, he screamed at his teacher, "*When I'm older, I'm gonna buy and sell people like you!*" The teacher's response is unknown.

One of his friends later said, "*We always knew Alan would either make a quid or have his head cut off. He was a very*

cocky, mature bloke. While we were still playing cowboys and indians, he was more interested in girls. You could see he had a pretty good head on his shoulders, and knew what he wanted to do."

His school achievements reflected his definite lack of interest, with a mixture of bare passes and failures to his credit. However, what Bond lacked in academic achievements, he compensated for with boyish charm, adaptability and confidence. Above all, he had a supreme confidence in his own ability.

Alan Bond turned 13 in April 1950 and graduated to Fremantle Boys High School. He ran into some difficulties here, as one friend later said, "*Bondy always insisted he was smarter and better than the rest of us. The reason he left school early was because he argued so much with the teachers.*" However, he was also beginning to work out how to make some money in his spare time.

His first job was selling newspapers at the Fremantle wharves each night after the paper shop shut at 7 p.m.. In no time, Alan had secured a supply of papers from the shop owner and supplied a group of other kids to do the same, in effect making them his employees. Before long, he realized that going to school was standing in the way of making and spending money.

He went to his father when he was fourteen and told him it was time for him to leave school. His father realized the futility of steering him back to school, and decided that he should get a trade to fall back on if all else failed. The only thing Alan liked to do was draw, so he arranged an apprenticeship for Alan at a local sign maker. This has turned out to be the first and only time that Alan Bond has ever worked for someone else in his entire life.

The sign maker, Fred Parnell, thought he had a bright personality and presented himself well. He liked his drawings but was horrified by Alan's spelling whenever he wrote down telephone messages. Bad spelling was not exactly a glowing attribute from a sign writer's point of view. In spite of this, Alan began a five year apprenticeship at the sum of just over two pounds a week.

3. Mid 1950s - First Job

In 1955, Alan Bond is 17. His favorite saying is, "*You've got to move a quid, move a quid. Keep the money rolling.*" His weekly wage was now being supplemented by any other work he could arrange for after hours. While most of the population looked on work as something to fill in the time between weekends, Bondy decided there was money to be made in solving other people's problems and he began taking on the difficult jobs nobody else wanted. He became a one-man labor exchange, arranging non-union unskilled labor for unpopular jobs. This was quite an achievement in such a strong union town.

Sometimes he acted like an unofficial night shift or an overtime division of the sign writing business he was apprenticed to. At other times, he arranged crews to paint buildings and houses outside normal business hours. He built up a network of contacts with other apprentices around town, and always knew who to hire.

However, there was one slight miscalculation at this time - he had been going out with Eileen Doozer and she was now pregnant. (Alan and Eileen had met at a Dance Studio. "*He was kind of forward,*" Eileen later said of the encounter that was to leave her expecting a baby at 17.)

After some soul searching and heated discussions between the Bonds and the Doozers, Alan and Eileen were married on 13th August 1955. Their first child John was born on 26th February 1956. The day after the wedding, Alan purchased a quarter-acre block in Melville (a short distance inland from Fremantle) and launched himself into building a house. The land cost 350 pounds, and Alan paid a five pound deposit.

On turning 18 in April 1956, Alan Bond decided an apprenticeship was no longer on the cards. He had set a goal for himself to become a millionaire by the time he was 21, and he realized that he had to pursue a career in business to have any show of making it. His apprenticeship was terminated by mutual agreement with Fred Parnell, who by that stage didn't think all that highly of his standard of workmanship or give him much chance of success. Parnell was also rather unimpressed when he later found out how much "outwork" Alan had been doing on his own account while working for him.

4. Late 1950s - The First Million

Alan Bond formed Nu-Signs Pty. Ltd. as his first company. His first innovation was in real estate signs. The traditional approach had been to sell the traditional "For Sale" signs to real estate brokers for about two pounds each. Bondy came up with an idea that really appealed to the agents - he rented them a sign for only ten shillings and charged them ten shillings to erect the sign at the property and ten shillings to take the sign down once the property was sold. It was a clever piece of marketing and in 1959 was an innovative use of rental leverage.

Bondy also pulled off some spectacular projects that made the business community sit up and take notice. One involved painting the largest crane on the Fremantle waterfront one long weekend while all the town's unionists were at rest and play. On Tuesday morning, the returning workers were furious and demanded to know whether full penalty rates had been paid and whether the safety

regulations had been obeyed. Bondy never volunteered any answers to their questions, and went on to paint about thirty of the waterfront cranes.

Bondy also won a contract to paint the forty-metre stack at Jandakot Wool Scourers plant. His quote included the cost of scaffolding he never actually used. Instead, he rigged a bosun's chair at the top and, despite the danger, swung out and around with his paint and brushes.

He also landed a contract to renovate and paint every railway station between Broome and Perth. He was becoming known as a jack-of-all-trades, someone who got things done no matter what it took. He was unpopular in some circles as he did things unconventionally, but that was of no concern to Bondy. He was always keeping an eye out for commercial possibilities, and through his real-estate sign rental business, he learnt about the property market, and especially which type of properties were selling best.

Bondy had been in love with Australia's wide open spaces ever since arriving in the country. One of his first observations of the Australian housing scene had been, "*There was this great wilderness that each house lived in. I thought they must be farming the backyards.*" Bondy's first foray into the world of property development was to buy a shopping complex in Fremantle. This was soon followed by the purchase of an old service station, which was then developed into shops and offices. In these transactions, he often used his father-in-law's name without actually getting around to asking his permission until after the fact.

When he was 21, Bondy spent three months traveling around the world looking for business opportunities. He was particularly impressed with the cliff-top housing developments he saw in Los Angeles, and he decided that would be perfect for the Darling Ranges east of Perth. He reckoned he could sell a west-coast (U.S.A.) lifestyle to the people on the west coast of Australia.

As soon as he got back, he was off and running. He found the land he wanted - 150 acres in the Darling Range foothills below Mount Gungin (409 meters). The land was former Crown land which Bondy was able to purchase for \$200,000. The money came from the Finance Corporation of Australia, a non-bank financial company. The three year loan was guaranteed by his father-in-law, Doozer Hughes. Bondy was very nervous about the risks involved, later stating, "*I think, possibly, if ever I gambled, that was the time.*" It is not known how Bondy ever got the land rezoned from rural to residential, but it was suspected that this was the result of Doozer Hughes friends. Bondy worked at a fever pitch to put down roads and prepare 500 lots to offer to the public.

As the time approached for the public opening, Bondy was extremely nervous. He needn't have worried. When the selling began in 1960, people literally queued up to buy the blocks. Eileen was there helping collect the deposits paid, and said, "*I'll never forget that day. I had a bag and it was stuffed full of money. It was like selling fish and chips. Most of the blocks sold before lunch time.*" That day, Bondy sold the 500 quarter-acre blocks for an average of at least \$4,000 each - meaning Eileen's bag by the end of the day had the best part of \$2,000,000 stuffed into it!

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