Enter the World

of Business

The Leopard Did Change His

Spots—They Grew

The son of a wealthy brewery executive, Conrad

Moffat Black was born August 25, 1944, in

Montreal. After leaving home at age 18, he

earned a history degree at Carleton University, a

law degree at Laval, and an MA from McGill.An

avid student of history, he has written several

books (including an autobiography) about political

figures such as Maurice Duplessis, Napoleon,

and most recently, Franklin Roosevelt.

Mr. Black purchased his first newspaper, the

Sherbrooke Record, when he was 25 years old. Two years later, he added about 20 Canadian newspapers to his belt with the

acquisition of the Sterling Company chain. Five years later, at age 33, he

gained control of Argus Corporation (the parent company of Massey-Ferguson, a

then prominent maker of farm machinery) and Domtar mining, and he acquired

other interests including of course, more newspaper companies.

The audacious, and some say ruthless, businessman followed a system of buying

up titles in trouble, and then selling assets and downsizing until at one point

he controlled more than half of Canada’s newspaper companies.

In a well-publicized disagreement with former Prime Minister Jean Chretien,

Black renounced his Canadian citizenship to allow for his induction into the

British House of Lords as Lord Black of Crossharbour on October 31, 2001.

Two years later, Lord Black faced disgrace and financial loss when on

November 17, 2003, he stepped down as CEO of US-based newspaper conglomerate

Hollinger International. The resignation followed the findings of a special

committee that accused Black and other senior Hollinger executives, including

COO David Radler, of receiving $31.15 million in unauthorized payments.

Denying any wrongdoing, Black described his departure as a “retirement.”

Numerous other allegations of financial malfeasance have resulted in a number

of legal actions in both Canada and the US totalling hundreds of millions of

dollars.As of early 2004, the suits have not been settled and the allegations remain

unproven.

It is said that those who fail to study history are doomed to repeat the mistakes

of the past. Conrad Black, as a student of history, would know this. Perhaps the

investment and business community would have been well served by studying the

history of Lord Black. His first known business venture in his youth involved an

enterprise that sold exam papers, which resulted in his expulsion from school.As

students of history and business, we should consider if there has been any real

change in his ethical behaviour.1

CP (Aaron Harris)