



## **Philequity Corner (November 18, 2019)**

**By Wilson Sy**

### **Mr. John – visionary, entrepreneur, industrialist**

Mr. John Gokongwei, Jr. was our special guest in the stock exchange when JG Summit Holdings Corp (JGS) celebrated its 25<sup>th</sup> listing anniversary last year. When I was formally introduced to him, Mr. John said that he knew me and he read the Philequity Corner in *The Philippine Star* every Monday. Even at the age of 92, Mr. John appeared sharp as ever. I was amazed that Mr. John remembered that our articles come out on Mondays.

### **A complex man**

In the eulogy that he delivered, James Go described his brother as a complex man. Mr. John was extremely frugal but he donated billions to charity and educational institutions. Mr. John did not want to spend on himself and yet, he would buy the best equipment for his companies.

### **A constant learner**

Mr. John assumed responsibility as the family breadwinner after his father died when he was 13. Despite stopping school in his youth, Mr. John was an avid reader. James called his brother a constant learner. When something caught his fancy, Mr. John would absorb as much information as possible to understand how it works. On top of their normal interactions, James recounted that for many years, he had a scheduled weekly meeting with his brother. The meetings would last for a few hours. Mr. John was interested not only in business, but also in history, archaeology, technological trends, and the arts.

### **The best schools in the world**

When James said that he wanted to take up engineering in college, Mr. John asked him to attend the best engineering school in the country. When James did well in his first year in UP, Mr. John sent him to study in the best engineering school in the world, the Massachusetts Institute of Technology (MIT). Mr. John likewise sent his son Lance to the Wharton School of Business, one of the top business schools in the world. Mr. John wanted his siblings and children to have the best education offered not only in the Philippines but in the world.

### **Undaunted by challenges**

Curious and persevering, Mr. John was never afraid to start a challenging enterprise. He did not back down from businesses which were difficult to manage, or those that required technical expertise or heavy capital investments. Instead of being intimidated, Mr. John would study these businesses meticulously in order to operate them profitably.

### **Be bold and dream big**

One of Mr. John's distinguishing traits is his boldness. Mr. John was not afraid of his bigger competitors when he established his cornstarch business in Cebu. This eventually became the Universal Robina Corp (URC), a diversified food business which now has a regional presence. Among URC's top brands are Filipino staples such as Great Taste, Blend 45, Chippy, Nips, Maxx, and Cloud 9. When he first bought new airplanes, Mr. John had a vision of providing affordable air transport. Eighteen years later, Cebu Air,

Inc (CEB) has grown into one of the top low-cost carriers in Asia. Typical of his penchant for defying the odds, Mr. John shook the telco sector when he introduced unli call and text bundles through Sun Cellular. By looking at his companies, one can see that Mr. John built businesses that cater to the common Filipino.

### **Smartest guys in the room**

The Gokongweis have the reputation of being extremely intelligent businessmen. I consider myself fortunate because I interact with them on a regular basis. I meet James in our common business organizations and in meetings of Philequity. I see Lance in meetings of the Ateneo Board of Trustees. Both ask sharp questions and share important insights during meetings. They are well-versed in a variety of fields and have shown keen attention to details and numbers. Based on my interactions with them, I believe that the Gokongweis are among the smartest businessmen in the world.

### **Business as usual**

In her tribute, Robina Gokongwei-Pe said her father kept asking for financial statements of his companies even though he was already in the hospital. In his eulogy, Lance said he and his siblings still went to work last week to oversee the operations of their respective companies. They only missed work last Friday to attend their father's funeral. Lance commented that his dad would have preferred them to continue working even under these circumstances.

### **Xavier, Ateneo, La Salle**

Mr. John placed a huge premium on education. He bequeathed substantial gifts to schools and universities. In his honor, Ateneo de Manila University named one of its buildings the John Gokongwei School of Management while De La Salle University designated one of its departments as the Gokongwei College of Engineering. Likewise, the Gokongwei Junior High School Building in Xavier School was dedicated to honor Mr. John's gift. Meanwhile, the Gokongwei Brothers Foundation provides scholarships in engineering and vocational technology. Mr. John's generosity continues to support the next generation of Filipino entrepreneurs, businessmen, engineers, and scientists.

### **Thank you, Mr. John**

There are many lessons to be learned from Mr. John Gokongwei's remarkable life. Through hard work, ingenuity, and perseverance, he was able to provide for his family after they lost everything. He was notably generous when it came to education because he fully understood its value, and he wanted other people to have the opportunity that he did not. His love for learning allowed him to defy the odds and thrive in challenging industries, thereby supporting the development of the local manufacturing sector. Mr. John blazed a trail for local businessmen by showing them that a Filipino industrialist can become a regional powerhouse. Thank you, Mr. John for leaving us with valuable companies in the stock market. And thank you for your vast contributions to the country.

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