

Growing the Future



A dark blue luxury car is parked in front of a building with ornate arches and columns. The car's hood and windshield are highly reflective, mirroring the building's architecture and the warm, golden light of the scene. The building features white columns and arches, with a large window reflecting the sky. The overall atmosphere is elegant and sophisticated.

If anyone knows how to pick the mood of a market and produce a product or service to fit, it's businessman Philip Weinman. Now running Deasil Group, which backs young companies, he's found a calling that brings sales as well as emotional satisfaction.

Philip Weinman is an inexhaustible powder keg of energy. He prowls around the spacious, wallpapered office in the St Kilda mansion that headquarters Deasil, his management and investment group, all the while holding court amid an audience gathered to watch his interview.

Weinman speaks in rapid-fire sentences, changing tack sometimes mid-conversation. He jokes with the photographer, his staff and colleagues (including son Dean who also works for Deasil) and exudes a charm that renders him instantly likeable.

But there is a steely side to this affable businessman who typically shuns publicity. "I came from a family where my parents used to spend their whole life fighting over money and I grew up always being conscious of the fact that money was the problem in my parents' relationship," he says. "At a very early age, I started to think about how I could make money so I would never fight over money."

At age nine in his home city of Montreal, Canada, Weinman sold lemonade without a price attached to it – a gimmick that earned him more cash because "most people felt a bit guilty because there was this little boy standing on a lemonade stand. They used to pay me far more than what I would have asked for."

His first 'real' business was selling replica oil paintings in the markets of Melbourne (his family moved to Australia when Weinman was 13). It was incredibly successful at a time where people wanted art but couldn't afford to pay the high price for originals.

Technology, however, was what propelled Weinman to the big time. In 1983, he started software company HiSoft and sold it five years later, at the age of 29, and with a turnover in excess of \$300 million and a market share in excess of 30%.

HiSoft has not been his only big 'win'. Weinman followed it up with travel group CTS Travel & Events, which he started in 1995 and built to be

a \$450 million concern when it floated in 1999. In total, Weinman has started and sold some seven companies. All have been in different sectors but with a common motivation behind them.

"Every business I've gone into has come as a result of frustration at how bad the industry is that they're in," he says. "With HiSoft, I needed a computer to run stock for my packaging business... I found a friend of mine who was at university with me – he was a very smart technical guru and he wrote me a software package that ended up being very successful." Weinman insists he does not actively search for businesses to buy or invest in – they come to him: "I always promise my family when I sell my last business that I'll never go into business again but I unfortunately can't help myself."

Weinman does not like the term entrepreneur to describe what he does, claiming that he's not a risk taker. "Entrepreneurs invest, they take risks and then they hopefully succeed," Weinman says. "That's why many entrepreneurs are successful once but then they never succeed again because they can't do what they did the first time. I tend to go into businesses that have no barriers to entry and are highly competitive, and I just do it better than the average."

He makes it sound so easy but such success hasn't come without considerable hard work and some cost. In his 20s and 30s, Weinman says he had no work-life balance and didn't see much of his wife and two children – now grown and with children of their own – in their formative years.

"There's no question that I don't care as much as I used to about success," Weinman says. "To me, success is not necessarily financial. It used to be about finance; now it's more about taking someone like Dean and seeing him go and negotiate a deal that I thought he could never do, and being able to go away for a holiday for a month and not ring the office every day."

If success is linked to happiness, whether he cares for it or not, Weinman could be considered more successful than ever. He says, from a business perspective, running

Deasil has made him the happiest he has ever been. Deasil is an evolved form of the venture capital combined with a human capital firm: the company takes stakes in young businesses and provides them with the infrastructure to help them grow but in a "family culture" where profits are shared.

The idea came to Weinman five years ago while doing a talk at the Australian National University days after the global financial crisis started to unfold. Weinman wanted to help build companies and support the people who were losing their jobs through redundancy or who couldn't get financial backing for their ideas from the banks.

Deasil currently has 15 businesses including Ascenda, a speed sourcing procurement company with offices in five developing countries; Plan B Logistics, a state of the art technology that enables businesses to book their travel without the need to pay a travel agent; and Innovative Beverage Co, which has recently launched Australia's first anti-energy drink. Weinman says: "The amount of people's lives that have been affected by what Deasil does for them is pretty phenomenal." Deasil, Weinman continues, is his best business investment because of the emotional connection he feels with it and the excitement that it generates.

Weinman also credits the role of passion in banking, as well as business. Speaking of his recent move to ANZ Private, Weinman says: "It's still early days but what I've seen so far is that the staff are incredibly passionate. It's hard to imagine they work for a large corporate."

Passion is an emotion Weinman knows intimately and respects. It's what has brought him to where he is today: loving everything he does and reaping the rewards.