

The last tycoon

Paul Hamlyn avoided personal publicity and disliked giving interviews. But Liz Thomson now recalls the occasion four years ago when he talked freely about his life, his health and his achievements — though at the time he was, typically, reluctant to have anything published

In February 1997, just a few days after he had, in absentia, accepted the *Bookseller's Services* to Bookselling Nibbie at the British Book Awards, Paul Hamlyn agreed to a rare interview. He was in Barbados with family and friends, staying at Mango Bay, a villa once owned by the late Pamela Harriman, US Ambassador to France and widow of American millionaire and diplomat Averell Harriman, who had commissioned the building from architect Oliver Messel as an anniversary present. He was frail, recuperating from life-saving surgery, but mentally as agile as ever, and warm and welcoming. Dressed for a swim, he reclined on a lounger, sipping fruit punch and gazing out into the Caribbean, lapping turquoise over the coral just a few metres away.

Barbados, unlike India, was not a destination of choice ("I came once fifteen years ago — it's full of the sort of people I normally go out of my way to avoid") but the climate was restorative and the sea temperature allowed him to exercise gently, provided his wife Helen, or one of their numerous guests, helped him into the water. A few days later, Mango Bay was to be the venue for the sort of gathering the gregarious Harriman (most affectionately remembered by the villa's staff) would have enjoyed. "I've lost a year, so I'm having my second seventieth birthday," said Hamlyn, adding that his son Michael, a film producer, and daughter Jane, who runs an art gallery, as well as numerous old friends were flying down with their families for the occasion.

Hamlyn had, in fact, just celebrated his 71st birthday. The previous February, a surprise party arranged by Helen, who quietly planned to fly in various friends to join them in India where the Hamlyns were then on vacation, had been cancelled when Paul was taken seriously ill. His spine had collapsed, an event unrelated to the Parkinson's Disease from which he'd been suffering for some years, necessitating emergency surgery in London. When that went wrong, Hamlyn was flown to a specialist clinic in New York. He spent eight months in hospital, enduring a half-dozen major operations. Three times his family were told he would not survive, just as over the last few months and weeks they were warned he wouldn't last 48 hours. Discharged after eight months, he had to learn to walk again and the Barbados sojourn was part of the recuperation process.

"Just as in every business venture I believed I would succeed, at no time did I think I wouldn't recover," Hamlyn reflected. "The hardest thing was keeping my mind active. Reading was impossible — I just couldn't concentrate. Peter Mayer was wonderful, coming in all the time to read to me," he recalled gratefully.

He seemed somewhat bemused by the Award, which he'd accepted "as a tribute to my friends and colleagues at Michelin House. It's very nice of them to do it — and I'm always happy to receive awards. It's good for one's ego." As he'd noted in his crackly, down-the-line acceptance speech, he'd given the world cheaper books and ensured their availability in a wide range of outlets. Indeed, it was he who put books into Marks & Spencer and it's easy now to forget what a furore that caused, for even as recently as the mid-Eighties, booksellers were arguing that a book bought in M&S or other non-specific high street outlet was a sale lost to a bookshop. (They still are, but Hamlyn would have dismissed the latest fuss about Tesco and *Harry Potter* as a nonsense.) Though not a man to make grand claims, Hamlyn agreed that he'd "had some influence" on the book trade in the second half of the 20th century and believed it was in the realms of pricing and availability that he'd made his mark. "We were publishing and selling quantities of rather high-quality books at prices that people hadn't seen before and I think it helped get them in the habit of making book-buying a part of their regular shopping. Very few people wake up in the morning and say: I'm going to buy a book today! It's just that they happen to be somewhere where something is displayed and they decide it's for them and they buy it. That's what the paperback business is all about.

"I've always believed that books should be sold like any other commodity, but whenever one said that it was considered vulgar and unpleasant. But there's no doubt that the market for books within the restriction of a retail bookshop is not going to increase over the next year or two or ten and the

publisher who's going to win out is the publisher who understands that marketing should be international and universal and aggressive and professional. They're the publishers who will produce figures which are quite out of normal."

Hamlyn's own figures, of course, were always quite out of normal. He started Hamlyn Publishing with £500 and Octopus with £10,000, never needing to invest further capital. By the time of the Reed deal seventeen years later, Octopus turnover was £159m, pre-tax profits £26m. While he never anticipated failure, Hamlyn admitted to being surprised at his success. "I never believed for one second that it would become what it did become. I remember very well when I started — I said I just want to be a small publisher doing a few nice books that I enjoy publishing. Things just happen. They get out of control."

It was, he conceded, more fun back then, though he noted that publishing has become more professional. "I had a lot of fun in the old days. I remember when I used to walk around the Frankfurt Book Fair and it was said that one in five had been Hamlyn trained, and that gives me considerable pleasure. I'm in touch with all of them," he continued, thinking of the likes of Jonathan Goodman and Alison Cathie, now running their own successful businesses. "We have quiet little lunches in the corner of Bibendum. Sometimes they seek my advice and I'm happy to give it."

As to whether publishing companies should be run by people with no hands-on experience of publishing, Hamlyn remained unconvinced. "I would hope that you have to have some feel for books in order to succeed. It's a difficult thing. You obviously need the number-crunchers but you need people with flair as well, people who love the industry."

Certainly, the business had changed since Hamlyn joined it — and even since he "left" it. "The change has been dramatic and will continue to be, perhaps not quite as dramatic, but considerable. The building up of much larger groups will continue, particularly in trade publishing where the profitability is so tough and the distribution methods so uneven and in some cases very second-rate. It's terribly tough for a publisher to show a return on capital. We showed extraordinary profits but I suppose that's because we looked at publishing in a slightly different way and we were lucky enough to be selling books in outlets that hadn't existed before, for example Marks & Spencer. At a time when the book business was not particularly lively, we were able to keep the ratios and show what could be done by selling books where books should be sold — where there was a mass of people hopefully with money in their pocket prepared to spend some of it on books."

Never a supporter of the NBA, Hamlyn felt that both publishers and booksellers were failing to take advantage of the new climate. "I used to say 25 years ago that it was going to go. Publishers are [discounting] half-heartedly and the mistake they're making is that they're giving the profit to the bookseller. They are being too kind to booksellers. I think the discounts which some publishers are giving

on books that are price cut is much too high. But so long as publishers are hungry and the power of retailers is there it will continue. It doesn't happen in America. I don't believe British publishers understand the problems and advantages of price cutting. Most of them."

How would he have tackled the issue? "I'd stop booksellers feeling guilty about it so they'd do it with enthusiasm and managers and assistants wouldn't look down their noses. They should take advantage of it, try to build up their customer base."

"You've got to get used to the idea that the same book can be sold in ten different shops at ten different prices. The world still continues! The whole basis of the NBA's going should be to find more ways of selling more books more profitably to the public. I know it sounds ridiculous when you're cutting

prices to make it more profitable but there needn't be a paradox at all." Hamlyn foresaw the rise of new chains discounting everything and predicted that book clubs would bite back. "The mail order people ought to find ways of selling more books," he said, returning to the core belief of his publishing career: sell more, widen the market — but don't rely on bookshops to do it.

In the decade since he'd sold to Reed, Hamlyn had remained "quite involved", though health problems forced him to take a back seat in the mid-Nineties. He was in Barbados when Reed Elsevier announced the sale of most of their consumer publishing division to Random House for around £16m. A little under ten years earlier, Reed had bought what was then the Octopus Group for a reported £535m. The City's love affair with publishing was at its height — the crash was yet to come. The world has since turned.

"Look," said Hamlyn somewhat irritably, "the situation — which I find very difficult to talk about — was not at all times handled in quite the way I would have done it, but if you're part of a big company life is just different and you have to get used to that. It's very difficult to build up or conserve a company when the announcement has been made that it's going to be sold off — I'm not sure that was the best way of dealing with it." As to the knock-down price: "Remember, what's being sold off at the moment is only a very small part of what was originally bought as Octopus, because the main value to Reed of the Octopus purchase was the educational side, and that is still valuable."

"If I was ten years younger, I'd have bought it. I've had thirty or forty approaches in the last couple of years and I said to someone about eighteen months ago that if I was 61 and had Parkinson's I'd do it and if I was 70 and didn't have Parkinson's I would also have done it. But that's not so..."

"On the other hand, there's always a chance that I will come back because I miss it so much. I'm not a gentleman of leisure. I'm sitting here in Barbados but I've been on the telephone for at least three hours every day and the fax machine is running hot. I enjoy my life too much the way I've lived it for the last fifty years. A lot of my travelling is both hard work and fun and that, I suppose, is my philosophy of life."

And while publishing *per se* took up less time that once it did, Hamlyn busied himself with other things,

not least his Foundation, which aimed to be proactive, taking up causes which were "a little different" rather than joining appeals. (Helen has her own, concentrating on the elderly — "people like me".) Through that, Hamlyn organised or supported some 200 projects annually, including Paul Hamlyn Week at the Royal Opera House. "Since we started ten years ago, 130,000 people have been to opera or ballet more or less for the first time," he noted with genuine pleasure. With Sue Thomson, there were training courses for publishers and booksellers, "all kinds of activities," some pursued jointly with Book Trust. "I feel that since large quantities of my enormous wealth have come from the book trade, the least I can do is to put a little of it back."

He was also Chancellor of Thames Valley University, "a great university, new, with no tradition, so we can do things that other universities don't do — all kinds of fascinating things — and we have 29,000 students. We've just opened a new learning centre in Slough, which is a building I arranged with Richard Rodgers to put up, modern, forward-looking and beautiful, which was opened by Tony Blair." Further afield, Hamlyn had set up a centre in India, a country he "adored", which was fitting 50,000 people a year with new limbs. "That's something we're very proud of." It was his charity work that earned him a CBE in 1993.

Parkinson's Disease, diagnosed in the late 1980s, led Hamlyn to fund a major study at St Mary's, Paddington. "We have nine nurses who go around the country and it's possibly the largest investigation of Parkinson's that's ever been done. We're monitoring 2,000 people and we hope to come up with some fascinating findings — not particularly about new drugs but about what happens to people and how their lives can be improved. "It's a pretty miserable disease," he said, without even a hint of self-pity.

"It's a very difficult illness because you feel wonderful on Monday then Tuesday's awful, Wednesday's awful — and Thursday's great again. You have to live accordingly. You have to go with it and not worry about it, have a sense of humour. I talk to my legs when they won't move, have a long conversation and swear at them." He paused. "This is the first time I've talked about it. I think there are advances on the horizon. I'm sure it's too late for me but an enormous amount of work is being done and I'm sure it will be dealt with in one way or another."

Despite life's day-to-day uncertainties, Hamlyn remained as optimistic as ever, not just about the book business. "I want to be in Britain for the election. I'm very happy with what's going on at the moment — I've been a strong supporter of the Labour Party for really quite some time, though I deviated a bit at one time and became quite an SDP fan. But I think the Labour Party will win the next election — so long as they don't get too sure about it I don't think there's really any doubt." He refused to be drawn on his contacts with the Party leadership but conceded that he "sort of knows them" and had been "involved" in a number of things. A year later, Blair made him a Life Peer, and in early 2001 it emerged that Hamlyn had donated £2m to the Party. (In 1990, he'd given Labour £100,000 for the development of arts and cultural issues and, in 1996, a further £500,000 to fund a promotional campaign for its manifesto.)

He was looking forward to the forthcoming general election campaign and hoped to be able to "do some work on it". He added a cautionary note: "People mustn't expect dramatic changes. The fabric of society will undoubtedly be better. The great sin of the last fifteen years has been how little has been put back into the infrastructure of the country. That's why our hospitals are in the state they are, our schools are in the state they are, our public transport. People don't have pride in what they do. Life has just been too dull and too miserable and too unpleasant. There must be fairness and justice. I think it's all very exciting."

Hamlyn acknowledged that a change in Britain's political complexion might offer previously unthought-of opportunities for him, but for the moment he was living life day-by-day, building up his strength, keeping his options open. "The Foundation takes quite a lot of time but it's a different sort of thing. I love the smell of a deal and I miss it a lot," he concluded. "Who knows — I may come back in to the business."

