

BANKING/FINANCE

Carlos Ghosn: From Auto Industry Icon to Scandal

by Elaine Ganley

A trailblazer and visionary in the auto industry, Carlos Ghosn is also a highflyer prone to excesses that may have helped bring on his surprise downfall as head of the world's best-selling auto group.

Ghosn turned around France's Renault SA and then Japan's Nissan Motor Co., eventually linking them in an alliance with Mitsubishi Motor Corp. in their top-selling venture.

But while renowned as an industry cost cutter, he spent lavishly on himself, thanks to multi-million-dollar salaries from the three companies. Ghosn's October 2016 wedding to his second wife at the Grand Trianon in Versailles, once favored by Marie Antoinette, featured actors in 18th century attire, a towering wedding cake and mounds of treats.

Like the queen, the man once seen as a king among industry executives in France and Japan has flashed out like a dying star.

Ghosn, 64, was arrested on Nov. 19 in Japan for allegedly falsifying his financial reports and misusing funds at Nissan. Prosecutors say he is suspected of under-reporting his income by \$44 million over five years. He now sits in spartan conditions in a detention center that also holds death row inmates and recently hanged doomsday cult leader Shoko Asahara.

No charges have been brought yet and Ghosn has made no public comment about the case, but last week Nissan's board unanimously vote to end his 19-year reign as chairman. The board of Renault voted to keep him as CEO, pending evidence on the case, but appointed a temporary replacement.

Mitsubishi Motors' board fired Ghosn on Monday, also by a unanimous decision. Its CEO, Osamu Masuko, will serve as interim chairman pending a general shareholders' meeting.

Ghosn is admired in Japan for bringing Nissan back from the brink of bankruptcy but feared for his "cost killer" ways. He started out at Nissan by axing thousands of jobs and closing plants in a country loath to give up lifetime employment.

Over nearly two decades, Ghosn shook up Nissan's hidebound corporate culture, empowering women in managerial roles and enlivening its car design and marketing. He put a stop to paying off extortionate stockholder gangsters, known as "sokaiya," a courageous move that meant he needed extra security.

Taking home a salary several times that of rival Toyota Motor Corp.'s chairman, Ghosn stood out in a nation of "salaryman" presidents, even at top companies, who earn relatively modest salaries. Signaling his status as an icon, he's the star of a manga, or Japanese comic book.

Nissan managers credited Ghosn with working hard, listening and guiding staff to carry out well-defined goals. He made a point of showing respect to Japanese culture, posing in kimono, visiting factory floors and eating noodles at company cafeterias.

But he also spent much time zip-ping by private jet through time zones and cultures, frequenting high-profile events like the annual hide-away of the world's elite in Davos, Switzerland, the red-carpet at the Cannes Film Festival, and Paris couture shows.

His business acumen and his celebrity brought him rock star status at auto shows. One employee, who spoke only on condition of anonymity amid the investigation, described Ghosn as a great boss: precise, communicative and even-tempered with a sense of humor. But he also stirred resentment within Nissan's ranks, the employee said.

Allegations against Ghosn reported in the Japanese media, but unconfirmed, suggest he spent Nissan funds on fancy homes in Paris, Beirut, Rio de Janeiro and Amsterdam, and on family vacations and other personal expenses.

Nissan's CEO Hiroto Saikawa portrayed his boss's suspected misconduct as a betrayal, saying he had too much power and was given too much credit for Nissan's success.

"It's hard to put into words, but what I feel goes far beyond remorse to outrage," Saikawa told reporters the evening after Ghosn's arrest.

Born in Brazil, where his Lebanese grandfather had sought his fortune, Ghosn returned to Beirut as a child. A Maronite Christian, he received a rigorous Jesuit education, then took off for France and higher studies at the elite Ecole Polytechnique and Ecole des Mines.

He got his start in the auto industry working with tires. By his mid-20s, Ghosn was running a Michelin factory in central France before taking charge of the company's South American operations in Brazil. He was CEO of Michelin's North American operations, based in the U.S., before moving to Renault SA.

In 2006, Britain gave him an honorary knighthood. Lebanon, fiercely proud of his success, issued a commemorative post stamp with his likeness last year. In France, where the government has a stake in Renault, he has often met with top leaders.

Ghosn has long credited his success to his multicultural origins and a permanent "outsider" identity that freed him to break with tradition: A 2003 autobiography, one of his several books, is titled "Citoyen du Monde," or "Citizen of the World."

"It helps to come from the outside because people don't see you as anybody involved in past decision-making," Ghosn said in a 2005 interview with The Associated Press. "It helps when the company is in crisis."

With so little information disclosed as prosecutors question Ghosn and decide whether to indict him, some believe the scandal partly results from friction between Renault and Nissan: some French media have suggested Ghosn's arrest was a setup led by Saikawa.

The French government has expressed concern about the future of the Renault-Nissan alliance, which it wants to deepen.

With the alliance leading industry sales, it would be tragic if the unfolding scandal undermines Ghosn's legacy of diversity and globalization, said Janet Lewis, managing director and Asia head of industrial research at Macquarie Capital Securities in Tokyo.

"He did things that were very hard for somebody internal to have done," she said. "Given the multinational nature of the senior management team at Nissan, which I actually admire a lot, I think he probably did a pretty good job of getting people of very different backgrounds working together."

Elaine Ganley reports for the Associated Press.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **Zoning Workshop** on **Tuesday, December 4, 2018 at 6:00 PM**. This meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53 Terrace, Doral, FL 33166** to consider the following public hearing application:

HEARING NO.: 18-10-DOR-02

APPLICANT: Lino Fayen ("The Applicant")

PROJECT NAME: Divine Savior Academy Special Needs Education Building

PROJECT OWNER: Martin Schoffel

LOCATION: The property is located at 6055 NW 104 Avenue.

FOLIO NUMBER: 35-3017-001-0383

SIZE OF PROPERTY: 0.99± Acres

PRESENT LAND USE: Industrial (I)

PRESENT ZONING: Industrial Commercial (IC)

REQUEST: The applicant is requesting to develop a vacant property into a new office and special needs education building for Divine Savior Academy. The project consists of a special education area on ground floor (6,955 square feet) and offices on the second floor (6,955 square feet).

LEGAL DESCRIPTION: THE WEST 132.00 FEET OF THE WEST 1/2 OF TRACT 38, IN SECTION 17, TOWNSHIP 53 SOUTH, RANGE 40 EAST, OF FLORIDA FRUIT LANDS COMPANY'S SUBDIVISION No.1, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 2, AT PAGE 17, OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA

Location Map



ZONING WORKSHOP PROCESS: The zoning workshop consists of two sessions:

1. **First Session.** The first session of a zoning workshop shall provide a forum for members of the public to learn about proposed developments within the city. Developments may be presented to the public simultaneously, in several locations within the meeting site. During this session, members of the public are encouraged to ask questions and to provide feedback to the applicant about the proposed development. The applicant shall provide visual depictions, such as renderings, drawings, pictures, and the location of the proposed development. In addition, representatives of the applicant shall be available to answer questions that members of the public may have about the proposed development. The members of the City Council shall not be present during the first session of the zoning workshop. No meeting shall start before 6:00 PM Eastern Standard Time and shall take place at a time and date to maximize public participation.

2. **Second Session.** The second session of a zoning workshop shall provide a forum for the City Council to learn about the proposed developments discussed at the first session of the zoning workshop. No quorum requirement shall apply. Developments shall be presented by the applicants sequentially, one at a time, for the City Council's review and comment. The applicant shall again present visual depictions of the proposed development. In addition, the applicant shall be available to answer any questions that members of the City Council may have about the proposed development.

No quorum requirement shall apply nor will any vote on any project be taken, but roll call will be taken, as it is a publicly noticed meeting.

Information relating to this request is on file and may be examined in the City of Doral, Planning and Zoning Department located at **8401 NW 53rd Terrace, Doral, FL 33166**. All persons are invited to appear at this meeting or be represented by an agent, or to express their views in writing addressed to the City Clerk, **8401 NW 53rd Terrace, Doral, FL 33166**. Maps and other data pertaining to these applications are available for public inspection during normal business hours in City Hall. Any persons wishing to speak at a public hearing should register with the City Clerk prior to that item being heard. Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

NOTE: If you are not able to communicate, or are not comfortable expressing yourself, in the English language, it is your responsibility to bring with you an English-speaking interpreter when conducting business at the City of Doral during the zoning application process up to, and including, appearance at a hearing. This person may be a friend, relative or someone else. A minor cannot serve as a valid interpreter. The City of Doral DOES NOT provide translation services during the zoning application process or during any quasi-judicial proceeding.

NOTA: Si usted no está en capacidad de comunicarse, o no se siente cómodo al expresarse en inglés, es de su responsabilidad traer un intérprete del idioma inglés cuando trate asuntos públicos o de negocios con la Ciudad de Doral durante el proceso de solicitudes de zonificación, incluyendo su comparecencia a una audiencia. Esta persona puede ser un amigo, familiar o alguien que le haga la traducción durante su comparecencia a la audiencia. Un menor de edad no puede ser intérprete. La Ciudad de Doral NO suministra servicio de traducción durante ningún procedimiento o durante el proceso de solicitudes de zonificación.

Connie Diaz, CMC
City Clerk
City of Doral
11/27

18-78/0000362983M