

People make the business.
It is not the money

Take advice from successful
people, not relatives and friends

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very difficult not to succeed

Bob Dhillon

The flamboyant businessman talks success with
Senior Editor Ajit Jain

Bob Dhillon, 42, will go on to become the first Sikh billionaire in North America. Predictions on these lines began when he went to do his MBA at the University of Western Ontario, London, Ontario, nine years ago.

'Dhillon was aggressive, ambitious and entrepreneurial,' wrote one of his classmates when he graduated in 1998. 'He was known among his classmates for his stated goal of becoming the world's first Sikh billionaire.'

Recently, when *The Globe and Mail's* Gordon Pitts asked him whether he would be the first Sikh billionaire in North America, Dhillon responded, 'I hope sooner rather than later.'

Dhillon's publicly-listed Mainstreet owns hundreds of apartment buildings in Calgary, Alberta; Surrey and Abbotsford, British Columbia, Toronto and elsewhere. He owns a 2,700-acre island in Belize where he is building what he calls an "architecturally-controlled oasis in the Caribbean," with "resorts, condos, high-end houses, golf courses, residential lots." In Belize — of which he is the consul general in Canada — his neighbor is movie star Leonardo DiCaprio. At 19, Dhillon bought two houses and sold them for an \$18,000 profit. For the next 15 years he reportedly bought and sold Calgary real estate worth about \$150 million.

There are reports saying you are becoming the first Sikh billionaire in North America.

These media guys need a spin. When I did my MBA program and took my company public they did a case study on real estate. One professor wrote about me as the first Sikh billionaire and that went out of control. Everybody is talking about it. Peter Newman got hold of that case study and he wrote in *MacLean's* and Diane Francis [editor of *the Financial Post*] also coined it.

Is that far from the truth?

To be honest, I still have to achieve that target, goal, ambition — call it whatever — but sometimes, it comes across the wrong way.

How would you explain it?

Lot of people may view this as being money hungry... somebody who wants to accumulate wealth. But that's not my main objective.

Some people may interpret it as hard work.

That's right, but people translate it as egoistic, egomaniac, and that I am somebody who's accumulating wealth for no reason but to accumulate; the net worth of a billion dollar is a scorecard. For you to be successful in business, it is [about] loving people. People make the business. It is not the money. Interacting with people, doing business and having the freedom sometimes gives you opportunities, doors open up for you, and it gives you an opportunity also to be a philanthropist. These are different venues that otherwise you don't get.

Are you sharing your fortune with those who are less fortunate?

I have an orphanage program in Belize. I do a lot of philanthropy work in my ancestral village in India. How do you determine a person's success? A gold, silver, or bronze medal, that's all what it is. I run for four minutes and I get a gold medal for it. I did my MBA program, something comes out of

that and a journalist finds it catchy. *The Globe and Mail* write-up and ink seems to be revolving around this, which everybody finds catchy.

Many make millions through real estate and then diversify.

I have a niche within the umbrella of the real estate world and that's the segment of apartment buildings. It is one business that hasn't been consolidated; there's an opportunity to add value to top-flying revenue instantaneously; interest rates are at a 45-year low; you got all the demand cycle... and then I am fortunate enough to be in Calgary, among the top seven growth cities in Canada. I have 20 percent of the market in Surrey, 20 percent in Abbotsford. I have all these markets which genuinely have great GDP numbers, immigration numbers and no supply; you've got to have a lot of supply till replacement cost. And you don't have replacement cost till value goes up considerably, and the values go up considerably in three to four years. The scorecard will then show a net worth of a billion dollars. So, the game is consolidating. I think the game will be over in my segment when we hit replacement cost. At that point, new developers will come in and the cycle will repeat itself. Will I get out of real estate and do something else? I have already diversified out of real estate. I am the owner of National Payment, which is [into] merchant credit card processing. Second, I am developing a 2,700-acre island in Belize.

Peter Newman wrote in *MacLean's* that you bought the Belize island for \$1 million and it is now worth \$100 million.

I never bought it for \$1 million. I bought it for significantly more money. It was worth \$100 million four years ago. It is worth \$400 million to \$500 million now.

Are you contemplating investing in India? Some reports say the value of real estate there is appreciating by 30 percent annually.

It is beyond what's called contemplating and our target is very similar to Mainstreet's. In cities like Hyderabad, Chennai, real estate is very expensive and there are a lot of big players. So, we have to go somewhere else where other institutional capital hasn't arrived as yet, places like Chandigarh and all the cities in northern India. The demand is equal and no different from the IT centers as all are moving up north because the cost of doing business in the south is pretty significant.

You have been called a 'deal maker on a mission.'

Maybe you want to rephrase that as the deal junkie. I do my fix on daily basis! Sometimes, it is real estate. Sometimes, it is an island in the Caribbean. Or, it is providing financial services to the merchants through the National Payment that I own.

Are you very fond of Belize?

My heart is in Belize. First, it is two hours away from the biggest market in the world, the United States. It is a Ground Zero in terms of the tourist development, with a growth rate that is going to be beyond [what] anybody can imagine. It is English-speaking. It has the same land title system as Canada. It is common law and there's no foreign ownership restriction. There's no capital gains tax, very minimum income tax. It is the same as the Mainstreet model — you have the demand lined up on one side and you got the opportunities lined up



COURTESY: BOB DHILLON'S OFFICE IN CALGARY

on the other side. It has tropical weather 24/7. I have a yacht there, four dredges, I have a small ship which is called *The Barge*. I am developing 2,700 acres there. I am building resorts, condos, high-end houses, golf courses, residential lots — an architecturally controlled oasis in the Caribbean.

What's your advice to Indo-Canadians striving to succeed in business?

Winners never quit. Take advice from other successful people and not your relatives and friends. We are the luckiest people in the world as this is the era of Canada. The next decade, with the global demand for commodities, the Canadian environment is going to be positive for business, positive because they are going to further open up immigration. Canadian South Asians who happen to be here must know that Canada is a platform where it is very difficult not to succeed.

Tell us about your life.

My father was born in Hong Kong. I was born in Japan. My parents then moved to Liberia. Then we came here. As a new Canadian, it was a difficult time. It wasn't easy and there was discrimination. It leaves scars on a young person like me. When we first migrated I was 12 years old. It was a difficult time for any immigrant to go through and when [then] prime minister Pierre Trudeau opened the gate, everybody came and everybody had a tough time adjusting. South Asians were a new phenomenon. It was difficult for South Asians. It was difficult for Canadians. Canada was going through an evolution, going through a change and we were caught in the crossfire of that change at that time. We were banned from any frontline positions in offices, and no oil companies would hire

me. But the end result is the success of all of us — Ray Sahi, Steve Gupta [*Toronto hoteliers*], Pradeep Sood [*former president, Indo-Canada Chamber of Commerce*]. These people said we will take on challenges. I call them mini-Columbuses. My parents, Steve Gupta and Ray Sahi are the Columbuses, these great explorers who came to Canada, Africa or Asia. They were adventurous people. These guys should be given the credit where it is due [for] opening and paving the road for generations. For the new immigrants who come in today, the road is paved. Think of the guys who came on board in the early 1900 versus the guys who come on the boat today. South Asians can today tap into social services. There are Hindi and Punjabi newspapers, language facilities. You've got successful Indo-Canadians.

Your mother faced racism too.

She was fired from her job at the post office strictly because of its racist attitude. We fought the case and won. At the end of the day, the Canadian system fought the case. We have to give credit to Canada. Canadians fought the case and Canadians said give justice where it is due. It is the greatest country in the world, Canada.

Do you have any unfulfilled ambitions in business?

My ambitions and targets change on a daily basis. But I can tell you where I would like to be five years from now: Mentoring young South Asians and doing philanthropy — giving back to society anyway I can. It is easy making money. It is \$800 million today, but transforming the tourist industry in Belize at such a high level is something. It is innovation and creativity, like Microsoft in the real estate world; to take stones and turn them into diamonds.