

THE LAMENT OF AN ADOPTED CHILD

Poor Chief Executive Officer Linus Cheung!

He *'must be feeling rather lonely'*, now that his *'parent'* has come out of the closet to say that he intends to dump him.

One should not blame Mr Linus Cheung, Chief Executive Officer of Cable and Wireless HKT Ltd, for making the biggest faux pas of his career with regard to his *'parent'* company, taking the initiative to try to dump its 54.40-percent-owned subsidiary in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

How could poor Chief Executive Officer Linus Cheung know what his betters, at London-based, Cable and Wireless plc, the *'parent'* of Cable and Wireless HKT Ltd, were thinking, on Friday, January 21?

Because, on Friday, January 21, after days of speculation that Cable and Wireless plc was about to offload the HKSAR loser (Cable and Wireless HKT lost \$HK2.77 billion for the Interim Period to September 30, 1999, and forecast that there would be a further decline in revenues for the Financial Year, ending March 31, 2000), under the able direction of Mr Linus Cheung, the brave Chief Executive Officer came out in the open with the following choice statements as to whether or not Cable and Wireless plc would be losing, or dumping, its adopted HKSAR *'child'*.

'Don't believe those reports. I have no plans to change my parents ... I am very happy with our association with Cable and Wireless. That serves the purpose of a worldwide alliance for us ... We are much better off, Cable and Wireless HKT, being a member of Cable and Wireless (plc) and have their worldwide networking ... Other Asian telecommunication firms without global parents must be feeling rather lonely ...'

Two days later, on Monday, January 24, London-based Cable and Wireless plc, the *'parent'* of HKSAR-based Cable and Wireless HKT Ltd, announced that it intended to dump Cable and Wireless HKT and to merge its with the Singapore Government's Singapore Telecommunications (SingTel).

The deal, Cable and Wireless (known popularly as C&W) announced, would result in the creation of the Asian region's largest telecommunication's player, with a market value of about \$HK389 billion.

It is generally believed in London that Cable and Wireless's Chief Executive, Mr Graham Wallace, is desirous of reinventing the telecommunications giant (Cable and Wireless plc, not Cable and Wireless HKT) as a fast-growing alternative operator, getting rid of non-core assets and shaking off the (colonial?) past.

London financial analysts have viewed the HKSAR operation as being no longer required and, in fact, being in the way of C&W since it has been dragging down C&W's market capitalisation because the sum total of C&W's international assets is less than the individual parts of the multinational telecommunications Group.

In short, if C&W could dump the HKSAR subsidiary and could concentrate on its core businesses, then it would be able to achieve a greater return on its investment.

As it is, Cable and Wireless HKT Ltd is a loss-maker, at this time, at least – in spite of the fact that, only a few short years ago, it was the telecommunications giant of the HKSAR with no material competition.

Can You Blame An Adopted Child?

It is said that the sins of the father cannot be visited upon the child.

So, conversely, what C&W did, when it determined to dump Cable and Wireless HKT, should not be a reflection on any stupidity which was visited upon it – like Chief Executive Officer Linus Cheung, stating that he would not consider to ‘*change my parents*’.

At what point in history has a child been able to change its parents?

Parents may disown children, but children cannot disavow the fact that they are the product of their parents – unless the children are mad, of course.

An adopted child should be happy to have been chosen for adoption, in the first instance, and it follows that if the stepparents decide to rehouse their adopted child, well, the child does have a new home, in any event, doesn’t it?

So, Chief Executive Officer Linus Cheung should be happy that, instead of getting the old heave-ho, he has been given a new home, albeit in sterile and authoritarian Singapore.

And the Singaporeans do speak a kind of Chinese, also.

From the point of view of C&W, Chief Executive Officer Linus Cheung is, after all, a Chinaman, who has been trying to run a C&W subsidiary, in a former British colony – and not doing a very good job, by the most recent looks of the Bottom Line.

At most, it should have been remembered that Chief Executive Officer Linus Cheung is an ‘*adopted child*’.

He should, always, have appreciated that fact -- unless he is mad, of course.

This matter of dumping Cable and Wireless HKT Ltd cannot be a racial thing, one would hope, but Chief Executive Officer Linus Cheung does not, actually, speak the Queen’s English, does he?

And, to be perfectly honest, he has not been the success story that London would expect from a Chief Executive Officer of a once important subsidiary of the once biggest and most profitable telecommunications company in the world.

At one time, the goodwill, associated with the C&W name, was worth upwards of \$HK650 million.

Today, in view of the most recent stewardship of Chief Executive Officer Linus Cheung, it is likely that the HKSAR subsidiary has little to no value with regard to its name, alone.

SingTel, no doubt, will do its best to promote its name, at the expense of Cable and Wireless HKT Ltd, naturally.

And, definitely, Mr Linus Cheung will not have a very high position in the Singapore Government – which is what SingTel is all about.

Anyway, Chief Executive Officer Linus Cheung is not known for his expertise in the Singapore version of the national language of the People’s Republic of China: Putonghua.

It is not that the Government of Singapore does not love Chief Executive Officer Linus Cheung and/or Cable and Wireless HKT Ltd; it is simply that the Government of Singapore loves the Island State more, and will try to promote Senior Minister Lee Kuan Yew and his Family.

To the Government of Singapore, probably, the name of Mr Linus Cheung is as familiar as the name Mr Yanus Yaklovich (Mr Yaklovich, an alta kaka from Tel Aviv, Israel, was said to have been responsible for the tidy state

of affairs at the open markets in that City's poorer areas; and, it was said that he often sported the broom to sweep the markets' streets when he had a mind so to do. He, also, coined the rallying call: *'Power to the fish monger!'*).

No doubt, Mr Linus Cheung will be a name for the record books of the HKSAR, because it is unlikely that many other people will remember him down the road, after his corporate *'parents'* rehouse the publicly listed company, now under his temporary control, and the name of Cable and Wireless HKT Ltd is changed to something along the lines: The LKY SingTel Group.

-- **END** --

 [Site Meter](#)