

# MAXWELL

## *A Portrait Of Power*

Peter Thompson and Anthony Delano

### 1.

Robert Maxwell changed his name several times. He was born as Jan Lodvik on 10 June 1923 in Slatina-Selo, a small province in Czechoslovakia. His family were extremely poor, with all eight of them living in a single-room hovel which froze in the severe European winters. There were barely enough hand-me-down clothes to go around and no shoes for the younger children - they simply went barefoot or wrapped their feet in rags. His family were Jewish, and Maxwell learned the ancient Hebrew prayers in Yiddish.

Maxwell got his first pair of shoes at the age of eight, and was able to go to the primitive local school where lessons were given in Czech and Russian. He soon discovered that he had been gifted with a photographic memory - anything he read or heard he soaked up so instantly and so completely that he could repeat it verbatim. He could absorb information at an incredible rate. He also found he was gifted with languages, and could pick up new languages quickly if not entirely accurately.

It is also known that most of Maxwell's early childhood consisted of gaining a street education. After three years of schooling (at age 11), he was unable to enroll in a higher grade of school because his clothing was too shabby. Instead, he learned from watching the small town merchants, and soon learned one of the immortal truths of hustling; an argument is not lost simply because it is ended, a bargain can always be remade, people buy what you say not what you deliver and the less you have to sell, the louder you have to shout.

While Maxwell was growing up, political changes that would reshape the face of Europe were taking place all around him. The Czech economy had based its economic hopes on Germany and Austria, but the worldwide depression combined with astronomical inflation within those countries to breed the Nazi movement. Maxwell's family sent him away to relatives in Slovakia where it was hoped he would be able to find work. (Maxwell's father was unemployed for almost all of his adult life).

Maxwell turned 16 in June 1939, about two months before Hitler invaded Czechoslovakia. He joined the underground, and started out towards Poland. Instead, he was arrested in Hungary as a spy and tortured and sentenced to death. When the French embassy took an interest in the treatment of young Czechs (Maxwell was still only 17 years old), he was placed under a light guard from which he was able to escape. Along with hundreds of other Czechs, he contacted the underground again and made his way through Yugoslavia, Greece and Bulgaria to Turkey and on to Syria, then a French protectorate. He never saw his parents or three of his sisters ever again, and cannot trace what happened to them, although there is some suggestion they may have ended up at Auschwitz.

All Czechs who made it to Syria were invited to join the free army of the Czechoslovak Republic to fight against the Nazi war machine that had taken over their country. Thus, in early 1940, Robert Maxwell and about 2,500 other Czechs were shipped from Syria to Agde, a French town on the south-west Mediterranean Coast.

The Czechs were an ill-matched assembly. In addition to a large number of professional soldiers, the ranks included doctors, lawyers and teachers. By one estimation, in one of the three divisions, one man in eight was a lawyer. Maxwell was still too young to officially join the army - he was not yet 18 years old - so he was part of the auxiliary to the first Czech Division, an unruly group of youth who ran errands for the real soldiers.

While the Czechs went into battle alongside the French and British soldiers, Maxwell was forced to stay at Agde. At the time of the fall of France, the Czechs were given passage to Britain to rejoin the fight against Germany. He landed in Britain and went to the camps established for the free-Czech soldiers. They were given the choice of joining the Czech National Army under the control of the Czech government-in-exile, or else they could join the Pioneer Corps in the British Army. Maxwell chose the British option, expecting this to be an opportunity to become part of a crack unit which would kill many Germans. In reality, the Pioneers were to provide the army's wood cutters, concrete pourers and ditch diggers. Worst of all, the

Pioneer Corps were not allowed to bear arms. Still, Maxwell did not know any of this when he signed on in October 1940 as 13051410 Private Ian Hoch. He was still only seventeen, but looked older. He had also picked up English quite well since arriving in Britain, and was able to give a reasonable account of himself.

He spent the winter of 1940 building aircraft runways and tank standings in East Anglia in anticipation of the German invasion. He was attached to the 227th Company, and at that time it was common for all the soldiers to take "noms de guerre" to protect their families back home from reprisals should they become known to have enlisted in the British cause. He promptly changed his name from Ian Hoch to Ian Du Maurier. He became obsessed with getting out of the Pioneers and into a fighting unit, and in October 1943 he finally managed to get assigned to the 6th Battalion of the North Staffordshire Regiment who were training for the counter-invasion of the Continent.

By the time of his 21st birthday, Maxwell was a corporal assigned to the battalion's intelligence section because of his knowledge of languages. He was also trained as a sharpshooter. On 7th July 1944, thirty-one days after D-Day, his battalion landed in France. Within 48 hours, 124 men from his battalion were killed and a further 259 men were wounded. By early August, Maxwell was in the thick of the battle for the River Orne. Maxwell reveled in the battle conditions, and in one particularly notable act took out an advancing Tiger tank with a PIAT, a kind of Bazooka. His Commanding Officer recommended the young corporal for a battlefield commission.

By the time of the liberation of Paris, Maxwell's battalion had been so severely depleted that it was decided to disband it. He was promoted to second-lieutenant and posted to the Queen's Royal Regiment, 5th Battalion. In the fighting that followed, Maxwell was awarded the Military Cross for bravery in the face of the enemy. By the end of the war, Maxwell had been promoted from second-lieutenant to lieutenant and then to captain. He had also married Betty, a French woman he had met at the time of the liberation of Paris.

## 2.

Maxwell ended the war in Berlin, and soon became attached to an intelligence unit because of his flair for languages. He was looking around for something at which he would be able to earn a living after the war. He noticed that there was a desperate hunger for reading material among the Germans, and when the first licensed newspaper was begun in the British sector of Berlin, he managed to become assigned as its censor.

However, in addition to being the censor, Maxwell also came to be in control of an unofficial role that was to play a much larger part in his business future - he was juggling supplies of newsprint and other paper supplies. This required bargaining, barter and compromise - and it was a situation where Maxwell's business acumen was sharpened and refined. He soon found he was adept at deal making and barter trading. Maxwell soon came to view newspapers and books as more than simply sources of information - they were commodities that were valuable. He was soon declaring to all his associates that he had two

goals in life; to become a Member of Parliament and a millionaire.

In the spring of 1946, Maxwell set to work towards his stated objectives. He realized that he was much more likely to become an MP as a result of being rich than the other way around. His first move was to leave the Army and be appointed to the Control Commission which had taken over responsibility for the German economy. On 12 September 1946, Maxwell took up 90 shares in a small London trading company called Low-Bell. A month later, he took up a further three hundred shares and was appointed to the Board of Directors. This company later changed its name to Maxwell Scientific International (Distribution Services) Ltd., and would eventually form the foundation of the Maxwell Family Interests.

Maxwell had formed an association with Germany's largest scientific publishers, Springer Verlag. Before the war, German scientific industries were the most advanced in Europe, and many scientists learned German as a second language in order to be able to read the textbooks, journals and papers that represented the leading edge of technology. Maxwell realized there was a huge export trade to be had in translating and publishing scientific information. There was an almost insatiable demand among academics and research scientists around the world on what had been going on in Germany in the years she had been cut off from the rest of the world. Maxwell became the English agent for Springer Verlag.

In addition to his renamed company Low-Bell & Maxwell Ltd., Maxwell also formed European Periodicals Publicity and Advertising Corporation (EPPAC), which was registered in Berlin. Maxwell promptly set about using all the contacts in Germany he had established while in the army. He managed to negotiate an extremely favorable currency exchange rate with the Joint Export Import Agency. While everyone else was paying thirteen deutschemarks to the pound, he negotiated a rate of twenty four deutschemarks to the pound. He also bought a huge number of prewar scientific journals from Springer that had been hidden away in Austria while the war raged.

Maxwell decided that to take the best advantage of the favourable exchange rate he had access to, he would need an established book sales distribution channel. He approached Butterworth & Co, who were at that time well established in publishing medical and legal textbooks. They referred him to their financial advisers, Hambros Bank. Sir Charles Hambro, a veteran of the wartime Special Operations Executive, listened to Captain Ian Maxwell MC for about twenty minutes. He then rang for a staff member and said, "He is to have a cheque book, and a twenty-five thousand pound overdraft." Maxwell borrowed more than a million pounds within the next year following the advice of Sir Charles, who firmly believed he knew a winner when he met one. Sir Charles also opened the way for Butterworths to form a subsidiary company, Butterworth-Springer Ltd., which would later become Pergamon.

One of Maxwell's key financial principles has always been the more companies you have, the more business they can do with each other. He set up another company called Lange, Maxwell & Springer to trade as a stationer, office

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