

Vale: David Clarke AO (1942-2011)

Macquarie Group's former Chairman David Clarke passed away on 8 April 2011. Under David's leadership over 40 years, Macquarie grew from an organisation of 12 people based in Sydney to a global enterprise of 15,500 employees operating out of over 70 offices in more than 28 countries.

We take this opportunity to remember David as one of Macquarie's founding fathers and pay tribute to his remarkable achievements.

David's contribution has been pivotal to Macquarie's success. He will also be remembered for his role in the transformation of the Australian financial services industry and, as important, his commitment to corporate philanthropy and extensive community involvement.

There are two ingredients to business success, David Clarke told a gathering of young entrepreneurs in 2003: vision and people. "You have to have a clear idea of what you want to do," he said. "And you must find the best people to help you do it."

When David joined Macquarie's predecessor, Hill Samuel Australia, as Joint Managing Director in 1971 at the age of 29, he knew his vision, to provide advisory and investment banking services of an international standard to the Australian market, was ambitious.

"The industry then was by no means sophisticated," he said. "Corporate finance in Australia was very under-developed. Anyone who seriously wanted to raise money got on a plane and went to New York or London. We had no stockbroking capability, no foreign exchange trading, no real corporate advisory business and a very limited securities trading base. We had \$A2 million in capital and a staff of just 12 people. So there were a few hurdles to overcome."

It took 13 years to build each of the businesses required to fulfil this original vision. By then, Hill Samuel Australia was growing faster than its British merchant banking parent, while deregulation was changing the Australian financial services landscape.

"It was our chance to become independent," David said. As the Hill Samuel Australia team opted to pursue an Australian banking licence, David negotiated the separation from head office in London.

On 1 March 1985, Macquarie Bank Limited opened its doors for business, with David as its Executive Chairman. The new Australian bank took its name from one of the nation's early leaders, Governor Lachlan Macquarie, and adopted as its logo the punched Spanish coin he used to solve a currency shortage in 1813. "Macquarie was the absolutely obvious choice," David said. "He started banking in Australia, he started currency in Australia and he was a good innovator. Innovation has always been part of the Macquarie culture."

Macquarie thrived in the new competitive environment and in the ensuing years moved progressively into new businesses and geographies. "Our growth and development has been a logical progression, a case of evolution rather than revolution," David said. While he couldn't foresee what Macquarie would become, he was confident of its growth. "I knew that if we were doing the basics right, we would grow well and we would become big."

The 'basics' are what David considered his greatest contribution to Macquarie. They are the policies put in place in the early Hill Samuel Australia days, which continue to drive Macquarie's success today.