

# P R E F A C E

**T**HIS IS THE tale of a boy proud of being born into a Jewish family in Kashan, in the centre of what was then Persia. More specifically it is the story of a long and eventful life, seventy years of it in business, and the lessons I have picked up along the way. I have lived in interesting and prosperous times and made a decent living in a country which adopted me seamlessly and where I was accepted into the highest circles of politics, the City and business. My greatest glory was to be awarded with membership of the Upper House in the Mother of Parliaments, an impossible dream for the eighteen-year-old immigrant who first turned up on Britain's shores in 1950.

In relating my personal history I hope to pass on some thoughts and observations which may help to guide – and even inspire – a new generation of entrepreneurs seeking to succeed in conditions that are less raw than the ones in which I learned my trade. If just one person finds some useful guidance in the stories I relate, this book will have served its purpose. But I hope it may also capture and hold the attention of those interested in a life which has had its highs and lows but has never lacked excitement – not least for me.

I am by nature a private man who has kept his personal life, thoughts, morals, insights and even deeds to himself until now. The basic facts of my life are well enough known – born in the Iranian town of Kashan in 1932, left school at thirteen to work in the bazaar in Tehran, emigrated to Manchester while still a teenager, scraped a meagre living by buying and selling textiles, bought my first company when I was twenty-four and

went on to acquire and consolidate most of the once-great British textile industry. At one stage I controlled a business with revenues of £2.5 billion and over 70,000 employees, the biggest textile company in the Western world, manufacturing in sixty countries. Along the way I received a CBE, then a knighthood and will end my days as Lord Alliance of Manchester, CBE, a title which I take endless pride in – and those who read on may understand why.

All of this has been written about in newspapers and magazines and was the subject of several TV documentaries, and as far as it goes this account is correct. But it is no more than the bare bones of a more complex and colourful history. Until now I have never revealed the inner David Alliance: the forces that have driven me maybe too powerfully at times; my battle with acute depression; the circumstances which have shaped me and the tide of events that have, at times, swept me far beyond the boundaries of the business world.

But the march of time and a battle with cancer in more recent years have persuaded me that now is the time to drop the mask, as far as my nature will let me, and write about stories, adventures and incidents I have never even confided to my closest friends or family. Some of them still make me wince: the times, in my early days in Manchester, when I could not afford to eat or pay the rent and was forced to sleep on the streets, where I was once woken by a drunk relieving himself on me. Or walking from warehouse to warehouse in search of cloth until my feet bled in my shoes because I did not have the bus fare. I lived in constant fear of being expelled by the British immigration authorities because I did not have a work permit.

There are other stories that have never been disclosed either: my role, a secret until now, in Operation Moses, which successfully repatriated thousands of Ethiopian Jews out of Sudan to Israel, and its successor, Operation Solomon, which airlifted another 14,500 out of Addis Ababa in the dying days of the Mengistu regime; my relationship with the late Shah of Persia and my meetings with him in his palace even as Tehran

was burning; my narrow escape in the Guinness affair when only luck and instinct saved me from potential disaster (and even jail).

I started my business with no money, no contacts and only a few words of English. My cousins used to tease me that, even months after I arrived in England, all I could say was: 'How much?' and 'Too dear!' And yet I remember those early years in Manchester, when I sometimes didn't have a couple of shillings to rub together, as exhilarating and full of fun. I discovered that you don't need money to enjoy yourself, and in the evenings I went to the discos at the Ritz Ballroom where I made many friends, mostly girls who in those innocent days I found kind and generous. I lived those years, when I was young, healthy and hungry to learn, to the full.

Writing this book has stirred other, often bitter-sweet memories of my childhood in an age-old, close-knit, Jewish community which vanished in a generation. It has also brought back images of a father I greatly admired, of a grandfather who I adored, and older sisters who tried their best to fill the gap left by my mother, who died when I was six. And I have lived again my days in the bazaar, where I absorbed lessons on business which have served me throughout life. I have stayed true to the basic principles I learned then. When I hit apparently insurmountable difficulties, I would say to myself *Never give up – there's always a way*, and if I had to impart one lesson to a young entrepreneur, it would be that: 'Don't give up. You can do it!'

There were other guiding principles I picked up too: when I acquired Thomas Hoghton, my first significant acquisition, in 1956, I had the opportunity to avoid paying off a debenture because of a mistake in the documentation by the lawyers. I came from a tradition where a handshake was more binding than the tightest of written contracts. I refused to take advantage of the situation and I repaid the debenture six months early, which created such goodwill with my eminent lawyer, Sir John Taylor, that it established my good name in Lancashire and paid for itself many times over.

I chose textiles because it was all I knew and, although I made a decent

living out of it, I chose badly. In my days tramping around Lancashire trying to buy cloth, there were literally thousands of mills with their brick towers belching smoke, dominating the landscape that my favourite artist L. S. Lowry captured so well. They have long gone, bulldozed to make way for shopping centres and offices or simply boarded up. A few have been converted into museums to remind a new generation of a bygone world where Britain ruled supreme. Yet today hope stirs again and the textile industry is making a come-back, a process I will devote my remaining years to nurturing.

I will tell many stories in the course of this book about how I acquired some of the most famous and established companies in the industry, many of them far bigger than my business at the time. I'm proud to say that, although I sometimes employed unorthodox methods, I was never dishonest or dishonourable. I was sometimes called an asset-stripper, because I bought so many companies and had to close parts of them down in order to save the rest, but it was never true. I learned early on that you don't succeed by breaking things. Far from stripping assets, I invested hundreds of millions in building the most modern plants in the world, which were so efficient they could turn out a shirt in a sixth the time it took in China. Alas, even that was not enough.

Of course I tried businesses other than textiles. When I bought a transport company which included an undertaker, I used to joke that I looked after people from the cradle to the grave, and it was true. In my lifetime, I have made maternity dresses, nappies and toys, and every kind of clothing for both men and women, from knickers and overcoats to socks and hats. In household textiles such as towels and sheets, we were the largest manufacturers in the world. When I look back, I am amazed at the breadth and range of businesses I acquired and managed. They included precision engineering, mobile phones, TV rental, banking, property, construction, estate agencies, retailing, medical equipment, stationery, fund management, insurance and mail order. There were many others, yet I always came back to what I knew best – textiles.

I was also called an opportunist but I never saw that as an insult: I often saw opportunities where others saw only failure, and I made every effort to turn them into realities. I know there will be a few who will find it hard to believe me when I say I never went out just to make money. But it's true. I wanted to live comfortably, of course, and wealth is often the main measure of an entrepreneur's success. On that basis, I was successful by the time I was thirty. But what really interested me, and what drove me on all my life, was the joy of making things happen, of developing new products, improving others, of opening up new markets for old products. Above all I enjoyed rescuing companies from the graveyard and by hard work, ingenuity and often sheer cussedness, dragging them back to profitability. When I bought Thomas Houghton I was a brash young man who didn't even know how to read a balance sheet, but I saved that company and the jobs that went with it in the village of Oswaldtwistle, where it was the biggest employer. In the end I found myself trying to save what amounted to most of the British textile industry, but maybe only God could have done that.

Despite the redundancies and the installation of automated machinery, I always had the full support of the trade unions. It is all too easy to blame them for the decline of Britain's manufacturing industry in the 1960s and 1970s, but in my experience it is not true. I talked to them, took them into my confidence, told them what I was doing, and at key times, such as the takeover of Vantona, they were actively supportive and tipped the balance in my favour. Many years later, after the trade union leader Joe King passed away, I received a sealed envelope from his wife, Lily, enclosing copies of letters written by the unions to government ministers. Only then did I realise that it was the trade unions that had put me up for both my CBE and my knighthood, saying I had saved many jobs in the industry. 'A knighthood for David Alliance,' wrote a trade union leader in June 1986 to Prime Minister Mrs Thatcher, 'would show very, very clearly that good management in the textile industry can succeed and compete at home and abroad with the fashionable, high technology computer and microchip industries

of today.' I don't think there are many industrialists who were put forward for an honour by the trade unions in Mrs Thatcher's time, when the divide between industry and the trade unions was probably wider than at any time in history. And even fewer that were accepted.

If this book sometimes verges on the boastful, please forgive me. It is not what I intend or indeed how I feel. Life has given me the opportunity and God has given me the ability to seize it. I am intensely conscious of the good fortune that has surrounded me and of the depth of gratitude that I owe to so many people who have helped and supported me. I may not always show it to the outside world, but the humility I learned from my father and grandfather is ingrained in my nature. On the other hand, as I think back to where I came from, what I have been through, and what I have achieved, I can't help feeling some modest pride. I hope I'm allowed that much.

Over the years and decades since I left Iran, my family has scattered across the globe, mostly to the US and Israel as well as to Britain, and none are left in Iran now. But we have remained close and there is nothing I enjoy more than a family wedding somewhere in the world, or a Shabbat dinner at my home with as many family as can come.

One of the reasons I went to Manchester was because five of my uncles, my mother's brothers, had gone ahead of me and had built successful lives there. But it was their wives, my aunts, who looked after this lost young soul when I turned up in 1950. My Auntie Marjory, who later became my mother-in-law, gave me the first roof over my head before I moved on to my Auntie Mohtram who was equally comforting. Auntie Delly and Auntie Margo showed great kindness and always invited me to dinner on Friday nights, sometimes my only decent meal of the week. Auntie Joyce, guessing how hard up I was in my early days, gave me a tiny frying pan, just big enough to fry a single egg, which sustained this hungry boy through some low moments. I still keep that frying pan in my dressing room where I see it every day. Auntie Marjory and Auntie Delly have passed away but I still regularly see Auntie Joyce and Auntie Mohtram.

I have dedicated this book to my family and especially to my first wife Alma to whom I was married for twenty-seven years and who remains my best friend, guide and confidante. I want to acknowledge my deep gratitude to her, particularly for being such a wonderful mother to our two lovely children, Graham and Sara. Scarcely a day goes by when I don't talk to Sara, who has been a great joy in my life, as has her husband, Eugene, who I have come to depend on greatly. My son Graham lives happily in the US and we speak very often but I miss him very much.

Josh, my youngest, tries to keep me up to date with the bewildering world of the internet and technology at which he is – at least in the view of a doting father – a genius. His mother, Homa, looked after me with loving care during my illness and (Lord) David Owen, one of the few people to see me in intensive care, later told me: 'When you were having oxygen and tubes in every part of your body, she literally willed you to live.'

I was humbled by the way old friends also rallied round in those critical weeks which were so nearly my last. My cousin, Amir Joseph, my best friend from my childhood, came from Manchester to stay with me almost every weekend. He passed away in 2012 and I am very grateful to his widow Diane for allowing him to spend so much time with me. My friend Dr Kamran Broukhim came from Los Angeles and moved into my hospital room, but he had left in such a hurry that he forgot to bring the device he used to stop him snoring, which meant I got little sleep. Kamran also liked to order a full English breakfast which I was forced to watch him eat – even though I hadn't been allowed to eat anything for weeks. Later he moved up to my house to keep me company, for which I shall be eternally grateful.

Apart from family and friends, I have been particularly lucky with the people who worked most closely with me and who put up with me (mostly) without complaint. My first full-time secretary, Sheila Wilde, was with me for years; she was followed by Anne Ashley who joined in 1972. Christine Parks, who came along next, was a delightful person, always with a smile on her face. My longest-serving secretary was Jennifer Ridgway who sadly

passed away in 2014. When she was asked by a judge how long she had worked for me, she replied: 'As a legally-minded person, Your Honour, you will understand if I tell you more than three life sentences!' Diane Craig, who only recently retired to live in Yorkshire, was one of the most efficient secretaries I ever had. Sonya Turner has proved a worthy and loyal successor. My driver Cliff Cooper has been with me over thirty years and always has an answer for everything. One day, after he had made an uncharacteristic mistake, I asked him, 'Don't you think while you're driving?' His tart reply was: 'I'm not paid to think – only to drive!' He has retired but still helps out from time to time and his successor, Adrian, carries on the good work. I also want to acknowledge two of my most loyal colleagues at Coats Viyella: Sam Dow was a wonderful company secretary of Coats Viyella for twenty years and it was he who encouraged me to write my memoirs. Russell Walls, who I recruited from Brazil, served as finance director from 1990 to 1995 and was a pillar of strength in disposing of the non-core businesses.

There are too many others to mention individually but I am very grateful to all of them, including David Owen, Peter Mandelson and Anna Ford who were kind enough to read this manuscript before it went to the publisher. I also want to acknowledge Dr Shokri Barabarian, my mentor and guide on business and commerce when I visited Iran. He now lives in Los Angeles.

Above all, I want to acknowledge my debt to the generosity of the people of Manchester, who made me welcome from the moment I arrived and went out of their way to help this young immigrant, often at some personal inconvenience and without any expectation that their kindness would be returned. I hope I have not disappointed them.

Finally I want to thank Jeremy Robson for agreeing to publish this book, Olivia Beattie and Victoria Godden for their careful editing of it and to Ivan Fallon for his help in writing it, patiently listening to me over many, many hours and working through draft after draft until we arrived at this final version.

*David Alliance, London, 2015*

