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# The dream maker

*Sonu Shivdasani* fell in love with luxury island resorts, so he built a $500m global company to create his own

*"WE WILL MISS HIM VERY, VERY MUCH, AS HE HAS BEEN HERE 33 YEARS"*

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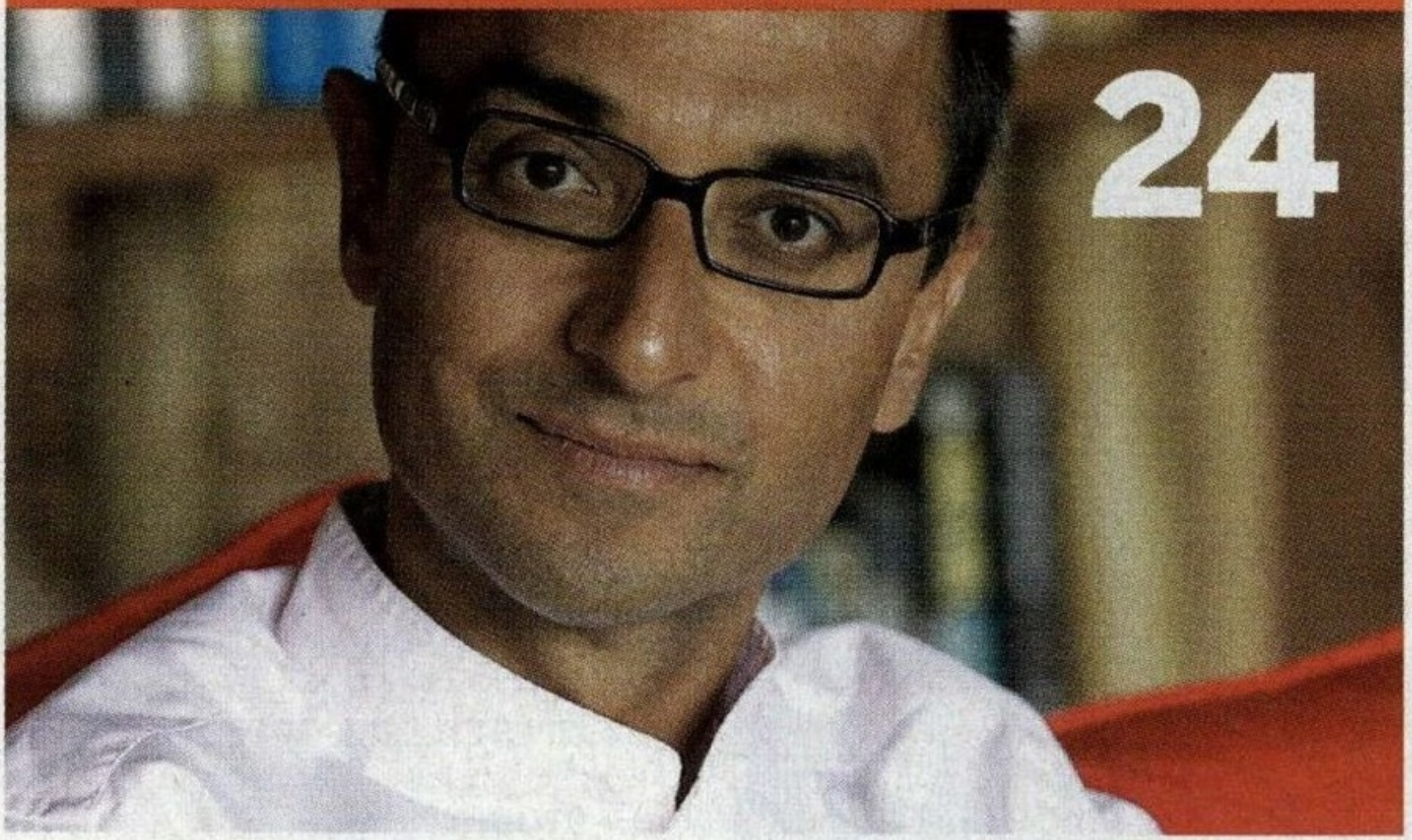


▲ *Shivdasani says success requires a clear vision.*

# THE DREAM MAKER

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COVER STORY

Thirty years ago, after visiting the Maldives for a holiday, **Sonu Shivdasani** decided to build his own home there. The end result is a luxury resort empire across several continents, which next year could be worth close to $500m when it lists on the stock market.

# THE DREAM MAKER

SONU SHIVDASANI is a fast talker. In the space of an hour, he rattles through everything from how he met his wife, why David Cameron is failing, how some hoteliers have "lost the plot", and why private equity firms are only good at "putting lipstick on a potato before passing it on".

So it's somewhat ironic that his hugely successful Soneva Group, which owns luxury resorts in the Maldives and Thailand and could be worth close to half a billion dollars when it lists on the stock market, is based on experiences called "Slow Life".

But then when it comes to ultra-luxury, doing it different and doing it better — there are few equals on the planet to the former boss and founder of the Six Senses Hotels Resorts Spas, including the resort in Zighy Bay, Oman.

"I believe in visualising things. If you visualise your future, it does happen," he says.

Given his first ever "visualisation" was simply to build one hotel in the Maldives 30 years ago, he has surpassed even his own wildest dreams. With his wife Eva, he built the Soneva Fushi resort on the deserted island of Kunfunadhoo in the Maldives. It was the first "castaway" resort there,

**"I think successful businesses happen when you have a clear vision. If you start a business just for financial gain they tend to fail, generally"**

**"Long-term success comes when there is a passion about doing something and changing things. And that's what we've done"**

▲ Shivdasani says he enjoys reading, art, architecture, travelling, wellness and Soneva living in general.

The Soneva Kiri Resort offers an unrivalled combination of luxury, environmentally friendly design and Thai hospitality.

pioneering the trend for back-to-nature holidays.

The spectacular Soneva Kiri on the unspoilt Thai island of Koh Kood followed in 2009, with Soneva in Aqua (a super luxury yacht experience) next, and another luxury Maldives resort Soneva Jani due to open later this year.

Along the way also came the Six Senses Hotels Resorts Spas. By the time he sold it in 2012 to Pegasus Capital for a reputed $175m, it had grown into a chain of 26 resorts and 41 spas.

Now focused on the Soneva Group, with its "One Owner, One Operator, One Philosophy, One Brand" strategy, it looks like Shivdasani is also number one when it comes to making money. Five years ago, Soneva Fushi on its own was reported to be making $20m a year — today the Soneva Group, he says, is worth a little under $500m.

"I think successful businesses happen when you have a clear vision. If you start a business just for financial gain they tend to fail, generally. Or they may have a short-term success but not long term. Long-term success comes when there is a passion about doing something and changing things. And that's what we've done," he says.

He certainly has, but it has been a long journey. Now 50 years old, the son of an Indian merchant and banker, he was born in England. His father died when he was 13, and after studying at Eton College, Le Rosey in Switzerland and later graduating from Oxford University, he initially started off managing the family businesses from Geneva.

But it was in 1995 at the Monaco Grand Prix — where he met his Swedish model wife

**"To me, the motivation is all about creating concepts. I can never stand still"**

**488**

The number of projects in 53 countries supported by Soneva Foundation as part of its Whole World Water campaign.

▲ Soneva Jani in the Maldives encompasses a collection of villas set within a lagoon of crystal clear waters.

▲ Shivdasani says Soneva Jani is one of the lowest density resorts in the world.

Eva — that the first shades of the Soneva Group (named after himself and Eva) first began to appear.

"The thing with university is you have a lot of holidays, so we would just come out and live in the Maldives for a month or so. In those days it was neon lights and tinned food. The fruits, the vegetables the whole lot were tinned, and they had taken from the reef to build things. And we just felt that didn't make sense from a sustainability point of view. We just felt we could do a better job than that and create something that was unique and had more quality — was more sustainable," he says.

"We leased the island and we had some family money and then a bank came in, halfway through the project. In the early days it was very difficult to get any bank to finance you. I liken the early days of tourism in the Maldives to jumping off a dive board. You just hope that by the time you hit the surface the pool has been filled out with water. That was what it was like — scary.

**24**

The number of water villas at the Soneva Jani Resort set to open in October in Maldives.

"We had about 40 percent of the total project costs so we started spending and we started building. Fortunately, just at the right time the bank came in because they had seen progress."

Soneva Fushi came to fruition and today is a luxury resort with vast multi-bedroom luxury villas and private residences — all within touching distance of a Biosphere UNESCO-protected coral reef. Nobody on the island wears shoes and television channels don't exist, while an outdoor cinema, observatory and nine dining options have been added. A new experience based on living in a luxury yacht, Soneva in Aqua, also was created.

Shivdasani's newest resort Soneva Jani — 50 kilometres away — will open later this year, which includes a collection of water villas and island sanctuaries. The Thailand offering — which is an hour's flight from Bangkok — is themed in a similar way. "Intelligent luxury at its best," he says.

A huge part of everything Shivdasani does involves paying close attention to environmental issues. He was one of the founders of the Soneva Foundation, which aims to create a template for sustainable tourism. The foundation has raised almost $6m from a 2 percent environmental tax billed to all guests, with the

cash used for various projects including funding a forest restoration programme in northern Thailand, where around half a million trees have been planted to mitigate 255,000 tonnes of CO2. A windmill in South India and cooking stoves in Myanmar and Darfur have also benefitted around 180,000 people.

On the Maldives resort, guests can also visit the acclaimed Eco Centro "Waste-to-Wealth" facility — the ultimate in recycling. Much of this is down to Eva, who has worked as creative director for the past 30 years.

"When we first arrived in the Maldives they were still killing turtles and using the shells for jewellery, and it was quite inhumane how it was done. Sometimes they would kill them over a week so they stays fresh. It's the tourism industry that has really led to the ban on many of these products. We campaigned to stop that when we opened and then the big tour operators joined us, and then the government changed the laws. It also stopped the killing of sharks."

The more you talk to Shivdasani, the more you wonder whether his passion is to make money or save the environment. He insists it is possible to do both, and points to Jim Collins' legendary book 'Good to Great' which analysed the performances of 1,435 companies over 40 years, including Southwest Airlines, known for its support of charities.

"In the book he talks about Southwest Airlines, which operated in the US — where every major airline was going into Chapter 11 [bankruptcy]. But Southwest actually achieved higher returns than just about anyone else. If you bought shares in that company in 1970 and Microsoft when it listed in 1975, you would have done better with Southwest shares. Can you imagine outperforming Microsoft in an industry where everyone else went bankrupt? It's all about having a purpose beyond just enriching shareholders. There were 10 key messages in 'Good to Great' and one of them is having a purpose that is meaningful," he says.

He adds: "I believe that you must first create a purpose and a concept that is motivating for

▲ Shivdasani says Soneva Group has gone to great lengths to ensure its hotels are a wonderful place for families.

**$10m**
The funding Soneva Foundation gave to help people in the rural areas of Myanmar.

Soneva's summer camp programme offers activities including glass-blowing.

Soneva Foundation's forest restoration programme in Northern Thailand.

your employees, so they are passionate about what they do. They create amazing experiences and then you have very satisfied guests who come back year after year. When people come back year after year you can increase your RevPAR [revenue per available room]. That's how it works."

Fans of the Shivdasani way of doing business may not have to wait too long to get a slice of his action. He reveals that the group is planning an IPO by the end of 2017 or early 2018.

"We will do this because it will give us a discipline, and because we don't have children we want to create a structure so the business can pass on. And of course, the cheaper cost of capital. When you are a listed company your cost of capital drops," he says.

He insists he won't be taking any huge sums of cash out of the business for himself and has no plans whatsoever to take a back seat. More resorts are planned in the Maldives in the next five years: two more are of a similar nature and another two that will be "totally different but high-end".

He is also considering opening up in Oman, Bali, Japan and Ibiza, and in the longer term won't rule out looking at big cities such as London, Paris and New York.

"To me, the motivation is all about creating concepts. I can never stand still. I have to go backwards or forwards," he says.

No prizes for guessing which direction he is heading in.

Soneva Fushi Resort is a premier island hideaway in the Maldives.

Soneva Fushi pioneered the trend for back-to-nature luxury holidays.

Soneva Fushi brings the outside in.