



Many Investors, One Voice

2010 Beacon Award



Rob Fyfe
CEO – Air New Zealand

The Association, in order to encourage excellence in the field of listed company performance, inaugurated the Beacon Award in 2002. The award takes the form of a miniature lighthouse with a battery operated light and is held by the recipient for a period of one year.

The New Zealand Shareholders Association each year gives its award for outstanding performance, judged against the following criteria:

- Leadership and guidance on corporate practice.
- Bravery in standing out from the crowd on issues that are controversial and taking stands against the trend on issues of governance, transparency, and individual conduct.
- Conducting himself/herself in a manner that is a guide to others, ignoring self-interest, and putting the concerns of others to the fore.
- Behaving in a manner that is respectful of the rights of others and treating the smallest shareholder with the respect of a business owner.
- Working within the rules and best practice while ensuring fair and equitable outcomes for all.
- Or such other act as may, from time to time, be identified by the executive board of the New Zealand Shareholders' Association.

Previous award winners include eminent directors, managers, and advocates for shareholders, such as Dr Roderick Deane, Mr Ralph Waters, Mr Simon Botherway, Mr Brian Gaynor, Mr Tony Gibbs, Mr Bruce Plested, and Mr Michael Hill.

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The choice this was very easy for us. Few New Zealand CEOs are recognised internationally for their work as employees of a local public company, but this year Rob was awarded the prestigious CEO of the year by the Singaporean Centre for Asia Pacific Aviation.

Rob's career contains an unusual blend of engineering finance and marketing. He graduated with honours from the Canterbury School of Engineering, trained in the RNZAF and RAF Cranwell UK and held management positions at Postbank and National Australia Bank. He became General Manager of Marketing at Bank of New Zealand and General Manager, Consumer Markets at Telecom. After time in the UK as CEO and MD of ITV Digital Rob returned home in 2003 to become Chief Operating Officer at Air New Zealand and headed the business transformation team. In 2005 he was appointed CEO of Air New Zealand.

This year Air NZ trialed biofuels successfully, handled volcanic disruptions, developed its premium seating, coped with the most volatile of industries by forming code sharing arrangements with competitors, and won Air Transport World's award for best airline. Financial oversight included careful cost control and skillful capacity management as the market began to recover. The result was profit when many other airlines were struggling to reduce their losses.

Other airlines are now using the fly and glide techniques originally used by Air New Zealand to save fuel, but Air New Zealand has moved on. Compare the stuffed shirt seat safety instructions on almost all airlines with the compulsive viewing All Black presentation on Air New Zealand which culminates with an 80 year old grandma streaking down the aisle.

Rob has given marketing and crisis management a human face. Long after the loss of the 320 in the Mediterranean, and the disappearance of a pilot in Hong Kong, we will remember not the detail of the problem, but the humane and sympathetic way Rob and his company treated the families and dealt with the public interest.

Shareholders have welcomed the monthly operations report on the company's website. Rob and his board are trying to make the company's accounts and operations open and transparent to shareholders. This undoubtedly puts pressure on staff to stay ahead of the game internationally.

Rob is a natural marketer, and his efforts to explain the trans Tasman arrangement with Pacific Blue, in sign language is still scoring hits on YouTube, while his torso both bare in the Kapahaka clips, and painted in the service advertisements gives the girls a chance to whistle. And if you meet Rob on a local flight in New Zealand, he may still be serving you a cup of tea as he checks out things at the coalface.

Transformation, like competition is a continuous thing, and Rob's contribution is to show that it must be a deep seated part of the total company effort. The New Zealand Shareholders Association honours his outstanding leadership with the 2010 Beacon Award.