

Key Advocate for I.T.T.



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Practical, independent and ingenious

Felix George Rohatyn

By LEONARD SLOANE

Front-page newspaper articles and television and radio newscasts in recent days have featured the name of Felix George Rohatyn as one of the key characters in the controversy over the Justice Department's antitrust settlement with the International Telephone and Telegraph Corporation. But whatever pressure is now being felt by Mr. Rohatyn (pronounced ROW-atin) as a result of his conversations last year with Acting Attorney General Richard G. Kleindienst about the pending Justice Department suits against I.T.T., on whose board he serves, his strain is probably less severe than it was during a 12-month period in 1970 and 1971.

In those months, Mr. Rohatyn, a partner in the prestigious investment banking firm of Lazard Freres & Co., was chairman of the New York Stock Exchange's surveillance committee, dubbed on Wall Street as the crisis committee. And by all accounts, he played the most significant role in helping to assure that no major brokerage house went under during one of the bleakest periods of financial crisis in the securities industry.

"The committee's work definitely helped to save the New York Stock Exchange," said Bernard J. Lasker, who was chairman of its board of governors at the time. "Frequently Felix would spend entire weekends at my apartment and we would make up to 150 calls a day trying to save firms and put others together."

Practical, Independent

The characteristics displayed by the 43-year-old Mr. Rohatyn in those difficult days in the financial community are typical of those that his associates have always attributed to him: practicality, independence of mind and ingenuity.

Therefore, the disclosure that he met privately with Mr. Kleindienst a number of times to argue that success in the Justice Department suits against I.T.T. would have "dramatic economic consequences" came as no surprise to some financial men who know him as a determined advocate of his views.

"You know, he's a strong critic of the Administration and has been very active in Senator Muskie's Presidential campaign," noted one Wall Streeter who has followed Mr. Rohatyn's career. "So it's ironic that he should become involved in this problem over one of Mr. Nixon's appointees."

Born in Vienna

Mr. Rohatyn was born May 29, 1928, in Vienna of Polish parents. He was reared in France and came to the United States with his parents, who were fleeing Hitler, in the nineteen-thirties.

After graduating from Middlebury College in Middle-

bury, Vt., in 1948 as a physics major, Mr. Rohatyn had what can be regarded only as a stroke of good fortune. He went to work for Lazard Freres as a trainee and learned the ins and outs of the investment banking field from its senior partner and one of the acknowledged masters of deal-making André Meyer.

"In some respects I consider him my son," Mr. Meyer observed yesterday about Mr. Rohatyn, who was made a partner of Lazard Freres about 10 years ago and is generally considered the heir apparent there. "Of course, we don't agree on everything."

One of the things on which Mr. Rohatyn and Mr. Meyer disagree is whether or not the younger man holds too many corporate directorships that take him away from the business.

In addition to I.T.T., Mr. Rohatyn is a director of Howmet Corporation; Owen's Illinois, Inc.; Pfizer, Inc., and other large corporations.

Reputation as Merger Man

As a member of these boards and as a key official at a leading investment banking house, Mr. Rohatyn has earned a reputation as one of the best merger-and-acquisition men in the business.

Not only has he been personally involved in a number of I.T.T.'s acquisitions, including that of Hartford Fire Insurance Company, which is under scrutiny by the Senate Judiciary Committee, but he has also played an important role in such big corporate marriages as that of Kinney and Warner Bros. and Loews and Lorillard.

"Nobody has a record quite as spectacular as Felix's," is the way a partner at a rival house was quoted a couple of years ago.

To achieve that record, others have said, he has often had to bring to bear some of the strengths of the lawyer, the accountant, the consultant, the analysts and even the baby-sitter to management.

Mr. Rohatyn is married to the former Janet Streit, whose father was a founder of the English Speaking Union. With their three sons, they live in a Park Avenue cooperative apartment and a home in Mount Kisco, N.Y.

Not too long ago, Mr. Rohatyn was recalling a statement that physics professor — a member, incidentally, of a profession that was the investment banker's original career goal — once made to him after Mr. Rohatyn confessed that he had the wrong answer.

"You don't have the wrong answer," the professor said, "you have a wrong answer."

When Mr. Rohatyn repeated that incident, he made a remark that may have developed added meaning in view of recent events: "There are a lot of wrong answers that you can come up with when you're working on those deals. I keep remembering the ones I blew."