

Honorary Doctor of Science

Mr John CHEN Sau-chung

Citation written and delivered by Professor David HILL

Chairman:

It is my honour to present Mr John Chen Sau-chung for conferment of the Honorary Doctor of Science degree in recognition of his significant contributions to the field of information technology. A summary of his achievements is as follows:

- He is Chairman of the Board, Chief Executive Officer, and President of Sybase, one of the world's largest independent software vendors competing with IBM, Microsoft and Oracle;
- He has a distinguished record of leadership in the IT industry; he joined Sybase in 1997 at a time when the company was under major threat; under his leadership, the company made a major turnaround, then significant growth in the industry globally and established many other successful businesses;
- Thus he is well recognized in the IT industry as a clever tactician, turnaround specialist and technology visionary;
- Apart from these successes, Mr Chen is also deeply concerned with international relations and is a well-informed voice in Sino-American relations; he has been an active supporter for permanent normalized trade relations with China and China's entry to the World Trade Organization;
- He works in many ways on creating opportunities for young people of diverse backgrounds; in fact, he mentors 3 graduate students from Stanford University, two from Asia and one from Egypt.
- He has numerous other involvements, which extend his influence. For example, in January 2004, Mr Chen was appointed to the board of directors of the Disney Corporation.

Let me now trace in more detail the steps and personal characteristics that led to the above-mentioned achievements.

John Chen Sau-chung was born in Hong Kong in 1955. His parents left Shanghai, like many others, some years before to make a new life here. He grew up in poor circumstances. The family lived in a one-bedroom apartment. They struggled and overcame family tragedy, and John managed somehow to keep an optimistic outlook on life. He has said those early years stayed with him and taught him a valuable lesson — that anything can happen either way.

He came to the United States as a student in 1973, when by his own admission, “I could hardly carry a conversation in English”. He attended the coveted Northfield Mount Herman College Preparatory in Northfield, Massachusetts and went on to graduate from Brown University with a Bachelor of Science degree in electrical engineering, Magna Cum Laude and other honors. In 1979, he received his Master of Science degree in electrical engineering from the California Institute of Technology, arguably the top technical university in the world.

Then he began a fast climb up the corporate ladder. In 1979, he started a 13 year career at Unisys/Burroughs in Pasadena, California, a worldwide IT services company. He rose to hold a variety of engineering and management positions including vice president and general manager of two of the major divisions.

He then joined Pyramid Technology Corporation, a high-end computer company, as executive vice president in 1991. Two years later, he became president, chief operating officer and board member where he was responsible for all aspects of the company. When Pyramid was sold to Siemens Nixdorf Informationsysteme, he became one of the first Asian Americans on its executive board of directors and then was elevated to president and CEO of Siemens Nixdorf’s \$3 billion dollar Open Enterprise Computing Division. This job took him to Munich.

The next step brought him back to the United States and established his reputation as someone who can engineer a dazzling turnaround. It was in 1997, when he was aged 42, that he was recruited as president and chief operating officer of Sybase to help restore growth and profitability. The database software company was in deep trouble after a series of quarterly losses between 1994 to 1997. Then in 1998, Sybase had a major disaster — the company discovered that a subsidiary had irregularities in its books of the order of US\$60 million. The influential Gartner Group put Sybase’s probability of death at 70 percent.

Under Mr Chen’s first year of leadership, he refocused the company on high growth market initiatives and reported three quarters of operating profit. He was

named chairman, CEO and president of Sybase in October 1998 and unveiled a new business strategy to restructure the company. The strategies worked! In the words of *Forbes* magazine, “John Chen brought Sybase back from the dead.” As part of its second life, Sybase was doing business in China, accounting for 45% of China’s telecom database market; 58% of all securities companies on Wall Street ran on Sybase; it had 70 offices in 33 countries and revenues were \$830 million dollars, all by 2002, i.e. just five years after he arrived.

Since then, Sybase has reinvented itself and posted twenty-two consecutive profitable quarters, made significant acquisitions, launched successful subsidiaries — including iAnywhere, holding a dominant position in unwired enterprise software, and Financial Fusion, the top facilitator of online banking.

Mr Chen continues to set the strategic direction for the company and plays an integral role in developing relationships with customers, partners and stockholders.

As impressive as these achievements are, they are far from his only contributions.

As few other executives of major American corporations, John Chen is deeply focused on international relations and trade policy, particularly as it relates to Sino-American relations. He was among the first American business executives to argue in favour of permanent normalized trade relations with China, testifying to the U.S. House of Representatives Ways and Means Committee, and for American support of Chinese membership in the World Trade Organization. Often through organizations such as the U.S. Center for Asia Pacific Economic Cooperation (APEC) of which he is a member of the board of governors, the Council of Foreign Relations, and the board of directors of the U.S. Chamber of Commerce.

Chen is also vocal about the experience and contribution of Asians in America. He is Vice Chairman of the Committee of 100, an organization founded by distinguished Chinese-Americans to foster better understanding between the United States and China and Chinese-Americans with the American people. The organization’s mission is to help strengthen relationships by promoting greater collaboration and enhanced understanding of issues faced by Asian Americans. Its membership includes some of the nation’s most influential Asian American business leaders, musicians, medical researchers, lawyers, academics, Supreme Court justices, authors, and Nobel Peace Prize winners.

In 1998, Committee of 100 awarded Mr Chen the “Entrepreneur of the Year” and the Overseas Chinese Association awarded him the “Distinguished Asian American Businessman” for his professional accomplishments in the high technology industry.

One of his goals is to help more young Asians in their climb up the corporate ladder. “It’s very important to make myself accessible to the younger generation,” he has said. “Most of the Asians like to start their own company, which is great, but there needs to be fundamental involvement of Asians in the corporate leadership.”

Mr Chen has numerous other distinctions including:

- He sits on the board and is a member of many distinguished professional associations including: Listing Advisory for the New York Stock Exchange Board, Business Software Alliance (member only), Watson Institute for International Studies Board of Overseers as well as the Committee of 100;
- He is an honorary professor at Shanghai University, an ambitious younger university in China, founded only 10 years ago in its present form;
- He was recently appointed to the board of directors of the Disney Corporation effective January 2004;
- He is annual supporter of many charitable foundations, including the Dragon Fund, which raises money to improve education for women and girls in rural China. Its goal is to provide scholarships for 1000 girls in China;
- He also likes to help poor and abused children in general; For the last four years, Sybase has sponsored the Sybase Big Apple Classic LPGA golf tournament in New York to raise money for various charities, including Save the Children programs in more than 40 countries and the New York Eye and Ear Infirmary;
- He is a contributor and fund-raiser for a \$40 million campaign for the Chang-Lin Tien Centre for East Asian Studies at UC Berkeley.

Coming back to the connection with China, it should be appreciated that Mr Chen’s vision for his company has had strong parallels with the on-going development of China. He said four years ago that the company’s top goal is expanding its overseas markets, primarily in Asia and particularly broader China.

Chen's commitment to advance information technology in China has been impressive — he has said he would like to “move the relationship between China and the U.S. up another level of understanding.” Sybase has been the No. 2 database company in China, rivalling Oracle. On broader issues, he has made significant comments, for example on the need to crack down on software piracy. The Chinese government has a vested interest to crack down, because they should provide an environment in which their people can export software and compete with the world in a knowledge-based economy.

Clearly Mr Chen's achievements are outstanding. Let us look more closely at what principles have guided him to these high levels. This might encourage young people graduating now.

Firstly, I have referred already to an upbeat attitude, even when life deals him a blow, learned when very young.

Secondly he has high standards. Referring to his own school days, John Chen described himself as merely a “reasonable” student because he was in the top 10% of his class, not the top 1%.

He believes in good teams. Again, referring to younger days, much that he truly enjoyed doing was team-oriented, namely being on the student council, playing guitar in a band and being on the tournament bridge team. All his team activities require good communication skills, a keen memory, sense of strategy and discipline. No doubt those strategic skills helped later on.

Then clearly he believes in hard work. Further this hard work is sometimes needs to overcome major hurdles. This can be illustrated by a defining point in his career that told a lot about his character and attitude. It was in the mid-1980's, as a young engineer, that he encountered prejudice. He never saw Asians being promoted to management, even though, he said, “we were the ones in the lab, designing, creating, de-bugging, doing the work.” When he asked a manager why, he was told that Asians just “aren't presentable”. To many this would be a major blow to their hopes. Instead, he worked hard to overcome this stereotype. He took public speaking lessons, joined a speaking society, Toastmasters, and worked at his style. Shortly after, he started getting promotions, and became a plant manager. Among those who ended up working for him was the above-mentioned manager. Rather than have bitterness toward that man or the situation, John credits the incident for the beginnings of his rise to success.

Another incident shows some considerable pride in his Chinese culture. A comment he made to Oracle's Larry Ellison was reported as: "You can't be better at the Art of War because you read the translation. I read the original". Of course he is referring to the 2400 year old classic by Sun Zi.

Finally, a clear view of the future is important in fast moving technology. Recently he was interviewed about his company's so-called "edge computing strategy". I cannot go into details here, but I just comment that he displayed an impressively clear-sighted view of this approach and its opportunities.

John Chen's principal guidelines have been summed up this way: work hard, be analytical, but decisive, be upbeat and seek greater challenges, and be loyal to your fellow workers. I think these will give you success in many areas of life and work.

As a final comment, I will say that I am pleased to present such a fine engineering scientist and leader here today. He serves as an excellent example of achievement at the highest levels and someone Hong Kong can be very proud of. I have the pleasure of presenting Mr John Chen Sau-chung to you, Mr Chairman, for the award of the degree of Doctor of Science, *honoris causa*.