

■ **Italian industrialist** De Benedetti announced his retirement from the business empire that made him one of Italy's most influential entrepreneurs. **Page 32**

# Italy's De Benedetti to retire

*Industrialist known as Fiat, Olivetti CEO and foe of Berlusconi*

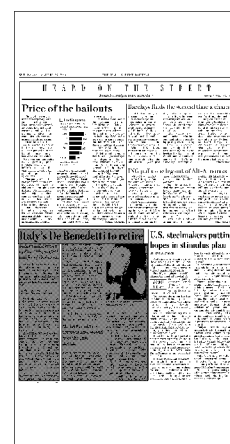
Italian industrialist Carlo De Benedetti announced his retirement Monday, stepping back from the business empire that made him one of Italy's most influential entrepreneurs and sharpest critics of Italian Prime Minister Silvio Berlusconi.

*By Stacy Meichtry in Rome and Sabrina Cohen in Milan*

Mr. De Benedetti, 74 years old, told a press conference in Milan that he will step down from his positions as chairman of publisher Gruppo Editoriale L'Espresso SpA and its controlling shareholder, CIR SpA, in the coming weeks. Mr. De Benedetti also plans to leave his post as chairman of his family holding company Cofide SpA, which owns a controlling 45.5% stake in CIR.

For decades Mr. De Benedetti, known to Italians as "The Engineer," embodied a wave of industrialists who shook up Europe's once-clubby style of deal-making through international investments and takeovers. Mr. De Benedetti, the son of a Jewish family that fled from Fascist Italy to Switzerland during World War II, rose to prominence in the 1970s when Italy's Agnelli family tapped him to become chief executive of Italian auto maker Fiat.

In the late 1970s Mr. De Benedetti acquired a minority stake in ailing typewriter manufacturer Ol-



ivetti and, once chairman, transformed the firm into a major computer and electronics company. The turnaround of Olivetti helped make Mr. De Benedetti one of Italy's richest men.

In the 1980s, Mr. De Benedetti channeled his wealth into a sprawling business empire, snapping up stakes in companies ranging from pasta maker Buitoni to French fashion house Yves Saint Laurent.

It was Mr. De Benedetti's investment in Italian book and magazine publisher Arnoldo Mondadori Editore SpA, however, that led to one of the most bruising battles in his career: a 16-month showdown with Mr. Berlusconi, then a media tycoon, for control of the publisher. It ended in 1991 with the breakup of the publisher and a division of its assets between the two moguls.

Mr. De Benedetti emerged from the battle as a rare counterweight to Mr. Berlusconi's growing influence

## Mr. De Benedetti's fortunes have waned over the past decade.

over Italian media and politics. Through the Mondadori breakup, Mr. De Benedetti gained control of the Rome-based newspaper *La Repubblica* and the weekly magazine *L'Espresso*, which became fierce critics of Mr. Berlusconi and his media company Mediaset SpA.

In 1994, when Mr. Berlusconi was elected prime minister, he also



At 74 years old, Carlo De Benedetti decides it is time to retire.

gained influence over Mediaset's biggest competitor, the state-owned broadcaster RAI. Mr. Berlusconi is currently serving his fourth term as prime minister. Mr. De Benedetti responded by backing left-wing politicians through his publishing assets.

Mr. De Benedetti's fortunes have waned over the past decade. Olivetti slipped into financial disarray in the mid-1990s, leading to a shareholder revolt that ousted Mr. De Benedetti as chairman in 1996. Since then, Mr. De Benedetti has gradually handed over management of CIR to his son, Rodolfo.

Mr. De Benedetti's retirement might not be his final act. The industrialist said he plans to retain the power to appoint top editors at *La Repubblica* and *L'Espresso*.

—Giada Zampano in Rome contributed to this article.