

## PROFILE

# Refining the business

*John Works, president and CEO of Rompetrol*

BY TIM JUDY

John Works says he has been reincarnated three times: as a lawyer, a banker and now a businessperson. Arriving in Romania last year to join the company, which has just bought the Petromidia refinery for a total of around 600 million USD, Works' schooling and career have given him a chance to see the world. "Looking back, I wish I could say everything leading up to my arrival in Romania had all been planned. But this is not the case."

Works grew up in Kansas City and went to the University of Kansas as an undergraduate. After graduating in 1977 he started looking at further schooling overseas. "I was in the liberal arts section and one of the requirements was to learn a foreign language. Fortunately the school had a program for those who waited until the last minute and basically for the last semester all you did was study a language. When I was faced with that eventually I figured I might as well really learn the language and so I applied all over Europe."

To travel across the pond was no leap into the unknown for Works as his father worked for TWA and he got free airline passes. "Every school break I went somewhere. I traveled the world. Coming back from one trip I had 11 cents in my pocket and slept in the airport for three days, as the ticket was on stand by and there was only one flight per day."

He was accepted at Sorbonne in Paris, and, according to Works, it was practically free. "It cost about 50 USD per semester. As I didn't grow up in a family with a lot of means, I looked at the offer and thought 'let's just do it.' As it turned out I liked it so much I stayed another year. I then applied to the

graduate school of economics which is the equivalent of the London School of Economics - extremely high quality. They had an entrance exam and three quarters of the applicants failed. I was one of seven Americans to be accepted. It was a fabulous time."

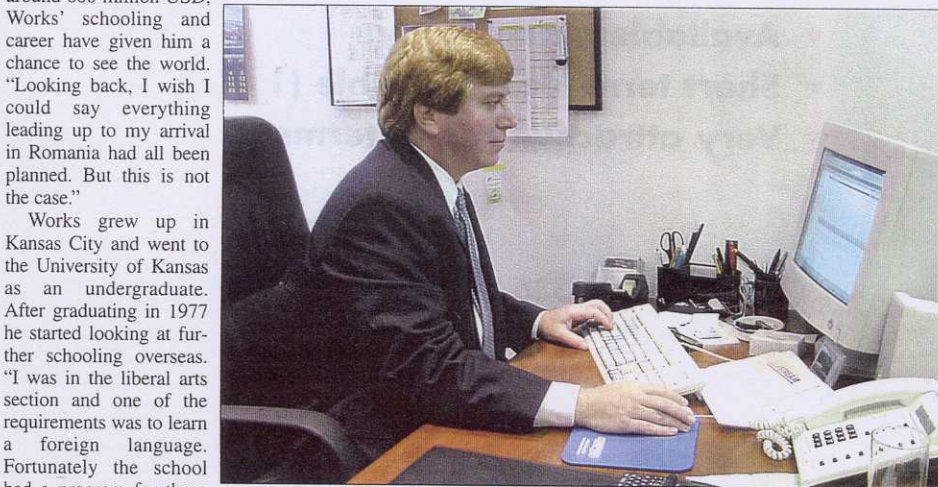
After finishing he decided to pursue an

AMRO. I called the guy who beat me and said: 'look we're in the same line of business. Why don't we join forces.' Two days later I was in Amsterdam. They made me an attractive offer and I became deputy head of the project finance group in Amsterdam, focusing on oil and gas, where I worked for a couple of years. Then in June of 1999 I was head

hunted by Korn Ferry to come here. I never thought of coming to Romania and much less running an oil company. But it was in the same business. I just had to look at it from a different angle."

Having worked in the region for years, Romania was no great shock.

"Romania is just a smaller version of some of what goes on in Russia - the way people do business, the fact that there is only a handful of very entrepreneurial



who waited until the last minute and basically for the last semester all you did was study a language. When I was faced with that eventually I figured I might as well really learn the language and so I applied all over Europe."

To travel across the pond was no leap into the unknown for Works as his father worked for TWA and he got free airline passes. "Every school break I went somewhere. I traveled the world. Coming back from one trip I had 11 cents in my pocket and slept in the airport for three days, as the ticket was on stand by and there was only one flight per day."

He was accepted at Sorbonne in Paris, and, according to Works, it was practically free. "It cost about 50 USD per semester. As I didn't grow up in a family with a lot of means, I looked at the offer and thought 'let's just do it.' As it turned out I liked it so much I stayed another year. I then applied to the



MBA and joined a bank training program. I did that for a year and then decided I wanted to be a lawyer. I applied to Yale but it was too expensive. University of Denver gave me a scholarship and I studied there between 1979 and 1982 where I was editor and chief of Law Review, which for lawyers is a pretty prestigious thing. I didn't want to stay in Denver having been in New York for a year and I sent about 150 resumes to firms there. For the first seven years I worked with two large Wall Street law firms: Shearman & Sterling and Cahill Gordon Reindel. I was a corporate lawyer and started working on oil and gas transactions."

He then joined JP Morgan in 1990 when the firm started hiring senior layers to supplement the business units to minimize outside legal expenses. During this time, Russia was becoming popular in the oil and gas sector and he was working with a senior investment banker who got him heavily involved in transactions.

"He said 'I think you are a better banker than a lawyer,' and I joined his group. I started doing oil and gas banking work mostly in Russia, Central Asia and the Middle East. I started doing deals in Russia when communism broke up."

The company decided, however, that it was better to work out of London, so he moved there for a couple of years. "At that time I was pitching for a big deal in Russia and I lost it to ABN-



Romanians who really understand capitalism and can make it work. The positive aspect is that Romania is a Latin country so people are a lot more fun to work with, hardworking and technically, at least in our business, very skilled. Romania has a long history concerning oil discovery so there's a large pool



of very qualified people at a low cost. It's very competitive when we can do 85 per cent of what the world can do. Some of our competitors are realizing that we can combine highly-technical skills at a low cost with international management."

Having resigned from the management of Conpet because of alleged conflict of interest, Works said the company will now put all of its energy into Petromidia. He's still glowing over the purchase.

"Petromidia is by far the best refinery in the region. It's on the Black Sea coast and we're counting on a lot of Caspian crude to start flowing through next year. Also because of its location it can export the refined product to Turkey and other countries."

He noted that the first batch of Caspian crude is supposed to come next June from Novorossiisk and which will be about 100,000 barrels a day, and Petromidia will be an ideal customer, especially when the volume increases. He did, however, blast the government for not putting enough muscle behind getting the Constanta-Trieste pipeline finalized.

When not working he keeps in contact with his two sons in New York, nine and eleven, by video phone. "They lived with me in Amsterdam but they got homesick. About every two months I see them for a week. We have the video phone and the Internet so it's not so bad. It's not ideal but it's not terrible."

## Favorites

City - Paris  
Country - USA  
Food - Steak Tartar  
Movie - Top Gun  
Newspaper - Financial Times  
Car owned - Mercedes 320  
Last book read - Undaunted Courage, by Stephen Ambrose  
Hobby - Golf, music, trout fishing, bicycling  
Role Model - Thomas

Jefferson  
Music - The Rolling Stones  
Composer - Beethoven  
Sport and Player - Golf, Tiger Woods  
Drink - Jack Daniels on the rocks  
Birth sign - Cancer  
Last vacation taken - helicopter trip over downtown Los Angeles

Most prized possession - wreckage from WWI biplane flown by my great-great uncle that was shot down in France two weeks before the Armistice  
Favorite office gadget - remote control on my TV always tuned to CNN  
Date and place of birth - 13 July 1954, Kansas City, Missouri, USA



CLAUDIO POPESCU