

The town folk in Caracas, Venezuela were leading a peaceful life—tending to their local businesses—until Izmir born entrepreneur Esteban (Stepan) Zarikian sailed into town. Ever since his arrival, the landscape of the country has changed. And in more ways than one, the late Zarikian himself personally helped revolutionize the textile, agriculture, construction, and banking industries—shifting the small time “mom and pop” shops of yesterday into the mega-commercial ventures that fuel the Venezuelan economy today.

How did it all begin? His wife, Sada, will tell that it began in Athens with Stepan’s golden touch. At the age of nine, Stepan’s father put him to work exchanging money on the streets of Greece. Accepting some schillings from an English soldier who wanted to change the coins for Greek drachma, Stepan made the trade only to find later that the schillings were counterfeit. With his father, he then took the coins to a local jeweler who dipped the coins in acid. It turned out that the coins were English pounds. What his father said next stayed with the young boy for the rest of his life: “May the earth you touch in your lifetime turn to gold.” And that it did.

Good fortune aside, Stepan’s success came with hard work and drive. His determination to carry projects through to the end, and overcome obstacles either through clever negotiations or persistence, proved to be his most powerful characteristics. “He had such a way of talking,” says Sada. “When just starting a business in the early 1930’s, the family had a major problem with a customs fine on the importing of some dry goods which would have taken 90 percent of their capital. Their lawyers advised them that the only solution—the only way the government would cancel the fine—was to talk to the Venezuelan Dictator, General Juan Vicente Gomez.

“For most that was an impossible task. But Stepan drove to Gomez’s headquarters, checked into a nearby hotel, and began sending the Dictator telegrams requesting a visit. After several attempts and a notice from Stepan

to the Dictator that it was a life and death matter, he was granted an appointment. But when he arrived, the secretary asked the young 18 year-old what his problem was, and when Stepan explained, the secretary said that it had nothing to do with the General and told him that he should seek the advice of the Minister. Stepan responded, ‘I’ve come to beg God, not the angels.’ With that, the Secretary

side. His memories of his countrymen, at the age of eight, clinging to ropes along the sides of large passage ships leaving Turkey shaped his reality and his concern for immigrants later in life. His lack of a formal education also made Stepan street-savvy—he did what was necessary to help his family. There was no job too small—cleaning floors, working as a delivery boy, a baker, and a leather tanner.

truck driver for Fleischmann’s Yeast.

It wasn’t long thereafter that Stepan convinced executives of the American Company to give him the chance to turn over the flailing Colombian business. By producing and distributing flyers, Stepan increased the yeast trade—acting as a one-man show—in charge of sales, orders, shipping, and delivery. When he left the company in 1930 to go to Caracas, Fleischmann’s sent him an open-ended invitation to return at any point during his life. But another Bakirgian textile project in Venezuela would keep him busy—at least for a little while.

“Marco already had a dry goods store, with a partner, in Caracas when Stepan arrived,” explains Sada. “The business was running—but not well. The merchandise was poor. When Stepan sent a report to Marco suggesting that more could be done with the business, Marco wrote back requesting Stepan’s presence to discuss the matter in person. Before leaving, his father told him, ‘Whatever Marco says, say it is okay. Be careful not to upset him.’”

In fact, Stepan had quite the opposite effect on Marco after the meeting. Describing to him how disappointing the merchandise was in Venezuela, he made the recommendation that his existing partner was not the kind of person that Bakirgian should be doing business with, that if the Zarikians were going to do business with Marco they preferred to be free of the partner. After 24

hours, Marco told Stepan that he talked with his partner, but the partner demanded “good-will” money to separate from the business. This upset Stepan so much, that he stormed out of Marco’s office, slamming the door in such a way as to shatter the glass around it.

“All the while,” says Sada, “Stepan was thinking, now what am I going to tell my father! The next day he went back to apologize. Marco was so amazed and pleased that he had taken such an interest in defending his business interests, he made an arrangement to separate the existing partnership and become fifty-fifty partners with the Zarikians. “Stepan always told me,” says Sada, “I owe everything to the

Los Zarikians

The late Esteban Zarikian and his wife Sada Zarikian—Venezuelan entrepreneurs—augment AUA’s scholarship fund.



escorted Stepan into Gomez’s office.

“Sitting behind his big desk and big chair with his white gloves on, Gomez asked Stepan to repeat what he told the secretary. Stepan started to tell him about the dry goods, but was stopped by Gomez who said, ‘No, not that part, the other.’ Stepan replied, ‘Oh, I came to beg God, not the angels.’ Gomez then began to laugh uncontrollably and Stepan was taken out of his room and out of the building. Stepan was sure that he failed his mission, but when he got home later, he found that the fine had been lifted and the dry goods could now enter the country.”

Raised in a prominent tobacco trading family in Izmir, Turkey, Stepan was a survivor of the Armenian Geno-

His real break, however, came from a family friend by the name of Marco Bakirgian—a successful textile industrialist in Manchester, England. Upon seeking his advice about what careers to suggest for his sons, Stepan’s father accepted Marco’s proposal to have Stepan, age 14, and his brother, Hrant, investigate opening a textile business in Colombia. Landing in Barranquilla, with absolutely no contacts, the young boys quickly examined their new environment to see if there was any interest in textiles and determined that such a business could not thrive there. As a result, Hrant started a job with a bakery and his brother began selling oatmeal drinks called *chicha* on the streets before accepting a job as the

Bakirgians for sending me here."

By 1937, at the age of 23, Stepan was accompanying Marco on a year-long tour of his businesses throughout South America. In Buenos Aires, he helped place Armenian immigrants in the different branches originated by Marco. In Chile, Stepan took on the challenge of solving a sales problem Marco was having with spools of Russian thread he had imported into the region. JP Coates, the largest manufacturer, had cornered the market, making it impossible for Marco's business to thrive. Resisting defeat, Stepan gathered more than 60 children off the streets and offered them cash to sell the thread. Before he knew it, the business was going so well that JP Coates called him and wanted to take over the thread completely.

Returning to Caracas, Stepan and his brother continued to manage the textile business, while expanding into other fields. In the early 1940's, they opened a whiskey factory which they later sold. They began a construction business, building several apartment complexes, and they were also the first large-scale cotton farmers in Venezuela—developing the agricultural industry in the country. And Stepan became a director of two banks in Caracas, and earlier a founder and director of another bank. "His knowledge of business, economics, and politics was so impressive," says Sada, "that several presidents of the country often willingly listened to him."

In fact, in the early 1950's, Dictator Marco Perez Jimenez, asked Stepan to be a director of the telephone company that they had recently purchased from Great Britain. Though Stepan admitted that he knew nothing about telephones, President Jimenez wanted a businessman as a director of the company.

Within a month, Stepan received a purchase order for millions of dollars worth of equipment. When Stepan priced it out, he told the Dictator that he could get the merchandise for nearly half and that he wouldn't sign the contract. Exasperated, the President told him he'd make him a Minister if he

signed the contract. Stepan said, "If I am Minister, people are going to call me Mr. Minister. Right now, I am Stepan Zarikian. Tomorrow, if I am not Minister, I am going to be called a fool or a thief."

With his resignation, Stepan declared to the Dictator that though he came into the office as a friend, he didn't want to leave as an enemy. The President turned to Stepan and said, "Don't worry. Here is my private telephone number. No one has it. Anytime you want something, call me." Subsequently, through his connection, Stepan was able to free many of the opposition who were jailed or investigated.

In 1946, Stepan and Sada Sahagian were married after meeting on a blind date in New York City. Sada, a graduate of the University of Minneapolis who had moved to New York from her home in Minnesota to work at Time Inc., was invited to dinner at a family friend's who also knew and invited Stepan. "I have to say that I was totally unimpressed with him that night—the way he dressed, the conversation about his conquests—I thought it was all for the birds," says Sada, who now is embarrassed by her initial feelings. "But despite that, he invited me out for another date two days later. We spent the entire day together—lunch on Madison Avenue, a movie, drinks at Rockefeller Plaza, and then dinner and dancing at the Savoy Plaza.

"Well, the Savoy was famous for its orchestra. And it just so happened that I ran into the mother and father of a very good friend of mine—he was one of the directors of the Woolworth Company.

"My first thought when I saw them was that Stepan was going to ask me to dance in front of them and he was not going to know how. Of course, he ended up being an absolutely fabulous dancer—able to perform the tango, samba, and all of that. I was the one who couldn't follow. By the end of that night, he told me that he wanted to marry me. I thought he was crazy. We didn't even know each other. Then he patted me on my shoulder and said,

"Take your time, you will change your mind."

And so she did. From Minneapolis to New York, Sada moved to Venezuela, where she has lived for the past 34 years—a decision she has never once regretted. Though she didn't speak a word of Spanish and knew only her new family when she arrived, Sada immediately embarked on a career devoted to community service.

From the beginning, she has given countless hours working on behalf of the church, the Venezuelan American Association of University Women, the Venezuelan Girl Scouts, and the Red Cross. This past year, she received the combined votes of eight different Venezuelan American groups and was honored as the outstanding promoter of Venezuelan American relations.

"There have been many changes in Venezuela since I came," she recalls. "First of all, when Stepan arrived, there were only 90,000 people in the entire capital. Today, there are over 4 million. When I arrived, the Zarikians were one of the few Armenian families in Caracas. Then during the 1950's and 1960's, many Armenians immigrated from Europe and the Middle-East. Because Stepan always believed in Venezuela, he made it a point to return his good fortune by providing opportunities and direction to many Armenians and non-Armenians alike. All the Armenians who came to Venezuela came to see Stepan first. As a matter of fact, the wife of a Jewish Holocaust victim whom Stepan helped later recognized him in her autobiography."

By the 1970's, the population of Armenians had grown so much that Stepan and Sada began to organize meetings to discuss the building of an Armenian Church in Caracas.

Up until that point, Armenians were using a small Russian Church for baptisms and weddings. They wanted a church of their own. After buying a small house that they converted into a chapel, their next task was to decide which side of the Armenian Church they should represent.

"Our first choice was Etchmi-

adzin," says Sada. "But when we wrote and requested a priest, we were unsuccessful. Then we decided that since we had a lot of people from Syria and Lebanon, we'd ask a priest from Antelias to come. That created a huge stir in the Americas. In the end, with the Antelias priest, we insisted that both Patriarchs be named during every service. That was unheard of in all the Armenian Churches. But it has worked and we now consider ourselves the first United Armenian Church."

On June 26, 1999, Stepan passed away, leaving behind his wife, three children, Zareh, Marco, and Surpik, seven grandsons, and one granddaughter. Surpik, an architect and artist, is married to Dr. Paolo Angelini in Houston, Texas. She recently started an art foundation and sponsored an exhibit and seminar at Rice University.

Zarikian's two sons, Zareh and Marco live in Caracas with their wives and children and run the family businesses. Zareh is President of the hotel Eurobuilding, which they own in Venezuela, and with his family, is a partner in the Armenia Hotel in Yerevan. He is also heavily involved in the family agricultural business. Marco runs the Grupo Telares Maracay, one of the largest textile businesses in Venezuela, as well as the hotels.

Besides being remembered as a great Venezuelan industrialist, Stepan will always be known as a great gourmet—traveling to the beach areas on Saturdays to pick out fresh fish—and a champion bridge and domino player. He also left his mark as a generous philanthropist, contributing to numerous projects including gifts of \$35,500 to AGBU to create the Esteban and Sada Zarikian Endowment for the American University of Armenia (AUA) scholarships. "I had the greatest respect and admiration for Stepan throughout our 53 years together," says Sada. "He was well known as an honest and fervent worker, a fair and intelligent man, and an individual with a big heart. He had one of the finest characters I could have ever hoped to know."

—LBP ■

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