

# Edward Guinness obituary

Influential director of his family's eponymous brewing company who squared up to the chief executive 'Deadly Ernest' Saunders



Guinness in 1951. Despite his trade he usually preferred gardening to revelry

**W**hen Ernest Saunders was chief executive of Guinness in the early 1980s he ruthlessly ensured that seven of the eight directors were removed from the company, enabling him to exercise control. In 1986 he faced an investigation into financial improprieties over the takeover bid for Distillers, another drinks firm, and it fell to the one individual remaining from the original board to tell him he had to stand aside.

That executive director was Edward Guinness, the great-great-great-nephew of Arthur Guinness, who founded the brewery with the eponymous name. He had worked for it all his life. Saunders, when informed of the planned course of action, told him four times: "Edward, I have always regarded you as the conscience of the company." To which Guinness responded: "How can I be the conscience of the company if I do not know what is going on?"

Saunders had been appointed chief executive and, subsequently, chairman as well, after poor financial results in 1979 and 1980 and an alarming fall in both the share price and staff morale. To Guinness, he was ambitious, determined, prepared to

work all hours to achieve his goal — unlike, he felt, anyone who had worked in the company before — and had considerable experience in international business. Guinness assessed that “Deadly Ernest”, who did not conceal his contempt for his predecessors, was the one hope of salvation and gave him his support.

But he became concerned that too many decisions were being made by management consultants and that the make-up of the board was determined by Saunders himself. In 1984 he confided his concerns about Saunders’ ethics to a fellow director. The following afternoon Saunders telephoned him, saying he had been informed of this disapproval. “Edward, are you trying to rock the boat?” The tone was one that suggested he should watch his step.

Guinness was learning more from newspapers and *Private Eye* than from Saunders himself and was not confident he was in control. The sums required to purchase a company the size of Distillers were considerable and this was only four months after the takeover of Bell’s whisky. At the same time, Guinness was preoccupied in his role as chairman of the Society of Independent Brewers, negotiating flexible opening and closing hours, and Saunders encouraged him to continue making this his priority. This kept him remote from negotiations about Distillers.

It transpired that Saunders had launched his takeover of Distillers, which was successful, by stealthily driving up the Guinness share price. Saunders, Gerald Ronson, Jack Lyons and Anthony Parnes, the “Guinness four”, were charged, paid large fines and, with the exception of Lyons, who was suffering from ill health, served prison sentences. Saunders served ten months of a five-year sentence, being released early on health grounds. Guinness, a prosecution witness in the trial at Southwark crown court, was cross-examined for five and a half hours. He had not been informed of Saunders’ arrangements, let alone sanctioned them.

Cecil Edward Guinness was born in 1924 in Leyland, Lancashire, the son of Cecil Guinness, the manager of a cotton mill near Chorley, and Betty Knowles Davies.

Despite his lineage, his branch of the family was far from the wealthiest: the cotton industry collapsed and Edward's grandfather, a remittance man sent to Australia to get him out of the way, eventually died penniless in San Francisco. Still, there were sufficient funds for Edward to attend Summer Fields preparatory school in Oxford, where he was a contemporary of the actors Christopher Lee and Patrick Macnee, and Stowe School, where he was the first boy to edit the Stoic magazine.



Guinness with family upon being awarded Commander of the Royal Victorian Order in 1986

Guinness served in the Royal Artillery, based in England, during the last three years of the Second World War. "The barrack room was a great experience in the university of life, a preparation for my roles in personnel and line management," he wrote later. He undertook an ex-services course at the School of Brewing, Birmingham, and joined the family's brewing business in Dublin in 1945. His initial roles ranged from spending five and a half years on the production side to becoming labour manager, assistant trade director and chairman of Guinness Transport.

In 1971 he became chairman and joint managing director of a subsidiary of the company, Harp Lager, which was one of the most rewarding experiences of his life. There was fierce competition with Skol, Carling, Carlsberg, Heineken and Tuborg, yet Harp's keg lager grew from 1,000 bulk barrels a year in 1971 to 2.5 million a year in 1975-76 and continued at more than two million a year until the break-up of the Harp Lager consortium in 1979. Peter Balfour, chairman of Scottish & Newcastle, told him: "Edward, I am afraid you have been a victim of your own success."

Guinness was a keen cricket fan and a member of Lancashire CCC. When, in 1970, South Africa's tour of England was cancelled due to apartheid, a series against a Rest of the World side was formulated instead. Given that these five matches would be televised, he recognised the opportunity to promote draught Guinness and Harp Lager, both relatively new drinks, to a wide audience. The trophy comprised a gold harp on a plinth of Connemara marble, which now resides in the Lord's museum. The cricket was high-class and entertaining; at the conclusion, Guinness himself presented the trophy to Garry Sobers, the Rest of the World's captain. The £20,000 of sponsorship he paid generated publicity for the company way beyond its expectations.

He retired as a director in 1989, by which point the company had regained the confidence of the City of London through successful management. Guinness would have stepped back in 1987 had not the Department of Trade and Industry begun its investigation, but now he could concentrate fully on charity work. In 1956 he had been asked to join the inaugural Duke of Edinburgh's Commonwealth Study Conference, discussing issues including the development of leadership skills. He became chairman of the board of UK trustees and regarded Prince Philip, whose 90th birthday party he attended, as a visionary.

The 11th conference will take place in Canada in June this year, when Guinness's grandson, Edward Greig, will be one of the delegates. Other charities with which

he was closely involved included the Queen Elizabeth's Foundation for Disabled People in Leatherhead, Surrey.

He married Elizabeth Thompson, the daughter of Alan Thompson, chairman of Wolverhampton & Dudley Breweries. She died in 2017. He is survived by two of his three daughters: Henrietta Greig, who with her husband founded Pipers Farm in Devon; and Dida Lamb, a complementary therapist. Charlotte died in 1998.

Although Guinness was invited to colourful family parties in Dublin and was proud of his ancestry, compiling with Lord Moyne volume IV of the Guinness family tree, he was inclined less towards revelry than to gardening, bird-watching, reading and following cricket and football, as well as his charitable work.

Yet he was not lacking in humour. He would make about 100 speeches a year and sometimes would introduce this line: "I would ask the dinner secretary, 'Can you tell me something of my audience — perhaps broken down by age and sex?' The reply was: 'Yes, I think you'll find they mostly are.'"

On a more serious note, he was to write in his memoir: "I had considerable respect for Ernest Saunders, ambitious, an original thinker, highly motivated and determined. I learnt a great deal from him and for the most part enjoyed working in collaboration with him. And the irony is that Guinness was a far stronger company in 1987, compared to 1981, making it a suitable company to merge with Grand Metropolitan and to become Diageo, now the world's largest alcohol company."

He did not, however, wish to have any further contact with him.

**Edward Guinness CVO, brewer, was born on June 26, 1924. He died of old age on December 29, 2022, aged 98.**