



# Returning to Beirut, An Architect Has Designs on Its Future

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## Bernard Khoury's Plan In Restoring a Building Is Not to Forget the War

By **BILL SPINDLE**

BEIRUT, Lebanon—Bernard Khoury stared up at an egg-shaped building, half of it sheared away. A tangle of broken concrete, rusting girders and bent steel rods stuck out the side. What remained was pocked with bullet and mortar holes. But for the Harvard-trained Lebanese architect, here was something to behold. "It's beautiful," he said. "Like Beirut is beautiful."

Slated for destruction as recently as last year, the Beirut City Center Building is among the last structures in Beirut's once war-torn downtown that still bear the scars of the war that raged off and on here until 1990. The building, constructed in the 1960s, has been empty since 1975, when the conflict first broke out in the city commonly called the Paris of the Middle East.

Beirut went on to suffer a decade and a half of shooting and shelling by ethnic clans, religious fanatics and the Israeli, U.S. and Syrian militaries. Since the end of the war, much of the area around the City Center building has been restored through a monumental, and often controversial, renewal effort led by a private development company, Solidere, whose biggest investor, Rafik Hariri, is now Lebanon's billionaire prime minister.

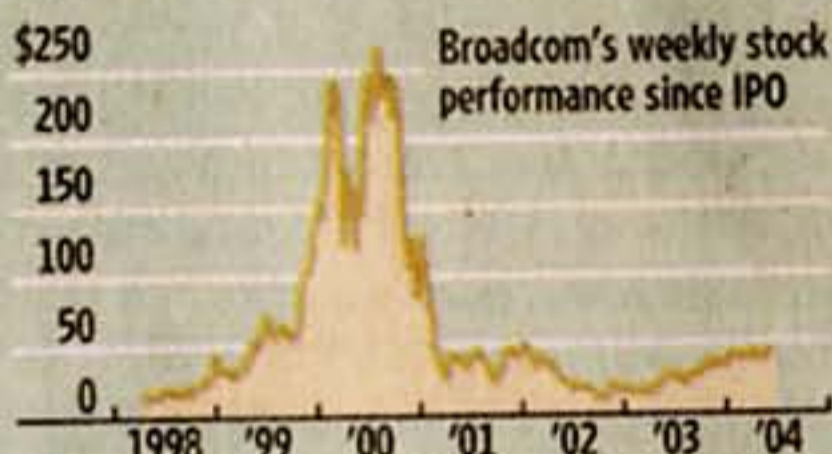
Tourists once again fill downtown Beirut's pavilions, which are lined with Italian, French and Mediterranean cafés. The downtown renovation has



Top: architect Bernard Khoury's conceptual design for the **Beirut City Center building**; above: the building now

## Wild Ride

- **Dec. 18, 2000:** Broadcom acquires SiByte, its 12th acquisition of 2000.
- **Nov. 25, 2002:** Broadcom cuts 16% of staff.
- **Jan. 23, 2003:** Henry Nicholas steps down as CEO; company posts \$2.2 billion loss for 2002.
- **April 22, 2004:** Broadcom reports \$39.9 million quarterly profit after year-earlier loss.



Sources: Thomson Datastream; WSJ research

## Holding the Chips

# At Broadcom, Co-Founder Is Gone But Not Forgotten

Mr. Nicholas, 'Retired' at 44,  
Still Has a Huge Stake;  
Seeking 'Proper Distance'

'Just a Dad Without a Job'

By **GEORGE ANDERS**

IRVINE, Calif.—For more than a decade, Henry "Nick" Nicholas III ran Broadcom Corp. in his own style. He started meetings as late as 10 p.m. and blared heavy-metal music into company trade-show booths. He gobbled protein bars instead of meals, urging aides to do the same so they could refuel faster. Once, he piloted a helicopter and hovered over the company's volleyball court, he says, just because he thought it would be fun.

His semiconductor company was one of the great high-tech success stories of the 1990s and Mr. Nicholas—a co-founder of Broadcom and self-made billionaire—seemed answerable to no one.

Then Mr. Nicholas abruptly left as chief executive officer in January 2003 the same day the company reported a \$2.2 billion loss for 2002, largely for write-downs related to acquisitions. He also resigned his board seat. Employees were stunned. Broadcom stock dropped 10%. In a conference call with investors, Mr. Nicholas said he wanted to repair his marriage and spend more time with his three children. Asked if other factors were at play, Mr. Nicholas and the company shooed away speculation.

In fact, Broadcom directors now say in interviews, they grew concerned in late 2002 about Mr. Nicholas's ability to

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sions, he came up empty. Solidere was meticulously rehabilitating downtown, but largely in a refined French Colonial style. Mr. Khoury bristled at this "postcard image" of the Middle East. "There was just nothing here for me," he says.

But after moving to New York in 1997—for good, he thought—Mr. Khoury was asked by a friend to design a dance club back in Beirut. The project wasn't exactly what he had aspired to, but he agreed to do it. The site for the new club, eventually named B018, had a long history as a refugee camp: Armenians congregated there around the first World War and Palestinians in the early 1970s. In 1976, about 1,000 Palestinians were massacred on the spot just after the beginning of the war.

Mr. Khoury says that kind of history can't be ignored, even for a dance club. So he designed a dark, bunker-like underground space with a retractable roof and a dance floor studded with benches clearly designed to evoke coffins. Criticized by some as utterly macabre, B018, named for the number of an apartment where the club owner threw parties during the war, attracted a big local and international following. It also won Mr. Khoury a measure of acclaim in architectural circles.

That led to bar and restaurant commissions from Beirut to Berlin, another city struggling to integrate its past with its present and future through architecture.

Meanwhile, Solidere continued with its multibillion-dollar recasting of downtown and frequently hired eminent architects and urban designers. Despite long delays and financing headaches, the project helped put Beirut back on the international bon vivant circuit. What was once the local opera house is now a Virgin MegaStore. Officials talk of bringing Formula One auto racing to town.

The next big phase of the project was

launched earlier this month with an international competition to design what's known as Martyr's Square, a once bustling plaza where ethnic groups mixed more than almost any place else in the country. It is now a barren swath of land. But plans to revitalize the square have forced a confrontation with one painful result of the war: Balkanized into sectarian enclaves, Beirut is still a long way from the mixing pot it once was. Solidere planners want a rejuvenated Martyr's Square to help remedy that. "It's the only place where all the groups in the city really came together. That has to happen again," says Angus Gavin, who manages the urban development division of Solidere. "If [downtown] works, it means the idea of a multireligious, multiethnic society is back in business."



*Bernard Khoury*

Overlooking Martyr's Square is the wreck of the Beirut City Center Building. It was designed in the 1960s by Lebanese architect Joseph Philippe Karam. At the time, Lebanon was coming into its own two decades after gaining independence from the French. Be-

neath the large white dome, which housed a theater and exhibition space, were six underground floors of shopping and parking.

The war brought a long period of neglect. In the early '90s Lebanon's finance ministry eyed the building as a headquarters, and even constructed a foundation and four basement floors for a new tower next to the egg before aborting the project. At first, Solidere recognized little special about the building and planned to demolish it. But as Solidere Chairman Nasser Chamma squired celebrity architects around town in the past year, many were struck by the odd-shaped building next to Martyr's Square. "I'm glad we didn't do anything to it," Mr. Chamma says.

Having decided to spare the building, Solidere officials didn't know what to do with it. But they did know who might: Mr. Khoury. He jumped at the chance.

Classic restoration, though, isn't what he has in mind. He plans to surround the distinctive dome in huge red scaffolding that spreads out over the whole property, giving it the permanent feel of a construction site. The surface of the building will be left as is—bullet pocks, mortar holes, crumbling plaster and all—wrapped in wire mesh. A pavilion below the dome will be studded with windows onto the subterranean floors, which will house gallery and exhibition spaces.

Solidere officials say they're excited, and they especially hope the new City Center will attract more young residents downtown. So does Mr. Khoury. But if it does, he points out, the attraction will be the way Beirut's past and future intersect in its present. "It's a complicated situation, and I like complicated situations," he says.

—Farnaz Fassihi  
contributed to this article.

## **PT Bank Permata**

### **Indonesian Government Plans To Sell Entire Stake in Firm**

The Indonesian government plans to sell all of its holdings in PT Bank Permata this year, revising a plan to sell only a 71% stake in the state-owned bank. "We have decided to sell the government's entire 97.17% stake in Bank Permata," Mohammad Syahrial, president of PT Perusahaan Pengelola Asset, said. PPA plans to hold a roadshow in late July. "We expect to complete the sale of Bank Permata by October," Mr. Syahrial said, adding that PPA expects to sell the stake at 1.8 times Bank Permata's book value, which is at 238 rupiah (three cents) a share. PPA has named ABN Amro as financial adviser for the sale.