

What Jeff Bezos divorce means for Amazon

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By Mandy Squires and Mathew Murphy, News Corp Australia Network

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When Amazon founder and the world's richest man, Jeff Bezos, and his author wife MacKenzie announced they were splitting after 25 years marriage on Wednesday, they joined a growing number of couples calling time on their relationship after doing the hard work of raising a family and building a business.

The couple, parents to three sons and a daughter, have amassed a fortune together since marrying and founding internet empire, Amazon, in the early '90s.

The public perception at least is that the pair remained humble, worked as a team, supported each other's dreams and

Manhattan divorce lawyer Dror Bikel, author of the book *The 1% Divorce: When Titans Clash*, said unlike some couples in high-profile divorces, Jeff and MacKenzie Bezos appeared determined to sort things out between themselves and were singing from the same song sheet, at least for the time being. "I think the fact that they announced the split together means they've worked it out to some extent," he said.



Amazon CEO Jeff Bezos and his author wife MacKenzie have called it quits after 25 years.

interests and were committed, hands-on parents, as their millions, then billions, grew.

It is only now rumours are swirling about an affair between Jeff — who overhauled his look in recent years from geek to buff Vin Diesel look-alike — and former So You Think You Can Dance TV identity, Lauren

Sanchez, reportedly involving lewd texts.

In the texts, published by the National Enquirer, Mr Bezos is said to have told Sanchez: “I love you, alive girl.

“I will show you with my body, and my lips and my eyes, very soon.”

Another apparently reads: “I want to hold you tight ... I want to kiss your lips ... I love you. I am in love with you.” He reportedly also sent her erotic selfies.

Lauren and her husband, talent agent Patrick Whitesell, were friends of the Bezoses, and both Lauren and Jeff are understood to have separated from their spouses about the same time.

The rather poetic, public declaration on Twitter by Jeff, 54, and MacKenzie, 48, that they remained best of friends and would “do it all again”, even if they had known their marriage would end after a quarter of a century, is ringing less true as details of the reported affair emerge.

“As our family and close friends know, after a long period of loving exploration and trial separation, we have decided to divorce and continue our shared lives as friends,” the couple said in a shared statement.

“We feel incredibly lucky to have found each other and deeply

grateful for every one of the years we have been married to each other.”

Melbourne family law specialist Aisling Clifford — who is witness to increasing numbers of couples in their late 40s and early 50s divorcing after many years of marriage — said she believed some splits were truly mutual, and in cases where a marriage had been over for some time, parenting arrangements and financial settlements had often been resolved by the time the news was widely shared.

However, it was not uncommon for couples to claim to have made a mutual decision to separate, when in reality one person was driving the split, or something had occurred in the marriage to trigger the decision, which they wanted to conceal.

“It might be that the public face of the separation is that it is a joint decision in order to either put a more positive message out there, or to avoid further investigation into why the separation actually occurred. It’s likely that if both parties are saying they are owning the decision they are less likely to be questioned about it later on,” Ms Clifford said.

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With an estimated net worth of more than \$US136 billion (\$A189 billion), that was fortunate.

It hasn’t always been the way of splits between celebrities, business tycoons and billionaires.

Messy multimillion-dollar divorce settlements in the past include that of Paul McCartney, Madonna, Tiger Woods and Donald Trump.

But the tens of millions paid out in those splits were nothing compared to the most expensive divorce settlements of all time, which have cost hundreds of millions of dollars and, in some cases, more than a billion.

The big bucks splits include the 1999 divorce between French-American businessman and art dealer Alec Wildenstein and his wife of 21 years, Jocelyn Wildenstein — who was awarded \$US2.5 billion and \$US100 million for each of the next 13 years (a total of \$US3.8 billion or \$US5.7 billion in today’s dollars) and the divorce of Formula One king Bernie Ecclestone, one of the richest

people in the UK, and Croatian model Slavica Radić in 2009. That split had a settlement estimated to be worth \$US1.2 billion. But in a twist, it is reported that Radić is the one paying Ecclestone rather than the other way around.

Mr Bikel said the main issue for the Bezoses would be how to distribute their assets.

According to the rules of the state in which they live, Washington, there will be no dispute that MacKenzie Bezos should get 50 per cent of the assets, he said.

While Jeff Bezos was worth \$US137 billion, \$US100 billion of that was Amazon stock, so the divorce could have a significant impact on Amazon.

“If Jeff Bezos has to dilute his voting share by giving his soon-to-be ex-spouse half of his stock then that could change the trajectory of the world’s most valuable company,” Mr Bikel said.

“She would be approximately an eight per cent shareholder because together they own 16 per cent. She’ll get in the tens of billions as they were married before Amazon took off and that’s equitable.”

Adultery is not a factor relating to the distribution of assets when couples divorce in Washington.

While Jeff Bezos’ reported

affair with Lauren Sanchez was believed to have led to the end of the marriage, Mr Bikel said evidence or admission of that would not affect the settlement as in Washington there was no fault divorce and adultery was not a factor relating to the distribution of assets.

High-profile divorces involving company chiefs have had profound impacts on business operations in the past, including the divorce between Elaine and Stephen Wynn in 2010. After splitting from the Wynn Resorts founder, Elaine ended up being the casino company’s largest shareholder and pressing to restructure its board and improve corporate governance.

In addition to Amazon, Jeff Bezos founded the rocket company Blue Origin LLC and owns the Washington Post, as well as property around America.

In an interview with Vogue magazine in 2013, MacKenzie said she had fallen in love with Jeff Bezos’ laugh from the time she started working with him at investment firm D.E. Shaw in the early 90s.

They married in 1993, six months after she made the first move and asked Jeff out to lunch.

Twenty-five years, four children and a business empire later, it may be the laughter in the Bezos’ marriage just ran out, as it sometimes does in the most

ordinary of marriages.

Whatever the reason for the breakup, investors will be praying the Amazon story ends well. ■