

Japan's brash Livedoor tycoon heads to jail

June 20 2011, by Miwa Suzuki



Sporting a mohican haircut and a protest T-shirt, Japan's maverick Internet tycoon Takafumi Horie on Monday headed to a Tokyo jail to serve two-and-a-half-year sentence for accounting fraud.

Sporting a mohican haircut and a protest T-shirt, Japan's maverick Internet tycoon Takafumi Horie on Monday started a two-and-a-half-year prison sentence for accounting fraud.

The flamboyant former dotcom entrepreneur -- who shook up Japan Inc's often staid ways with his media-savvy persona and hostile takeover bids -- has long insisted he is a victim of the establishment.

Horie, 38, was sentenced by the Tokyo district court in 2007 for falsely reporting a pre-tax profit of five billion yen (\$61 million at today's rates) to hide losses at the [Internet service provider](#).

A high court appeal the following year was rejected, and the supreme

court turned down the Livedoor founder again in April this year.

Before heading to prison, Horie gave a news conference wearing a T-shirt emblazoned with the words "Go to Jail" from the Monopoly board game, and a list of failed big companies whose executives were not imprisoned.

Surrounded by a swarm of about 300 supporters wearing the same T-shirt and reporters, he was philosophical about going behind bars.

"I may read different kinds of books, go on a diet and do other things like that while I'm inside," said the chubby ex-tycoon. "I want to reset my life and then come back. That's what I'm thinking."

He added: "I'm really sorry that I caused big trouble to Livedoor shareholders... As a penalty I'll serve my two-years-and-six-months sentence and come back."

His [incarceration](#) is expected to be slightly shorter because he already served 40 days in custody after his arrest.

Horie, who had been on bail, then presented himself to prosecutors.

He was on board a silver minivan that NHK TV later showed entering the Tokyo Detention House in the city's north, but it was not immediately known whether Horie would serve his term there or at another prison.

Livedoor Holdings was delisted in April 2006 in the wake of the accounting fraud scandal but has since recovered from the episode.

Its current incarnation, LDH, is still embroiled in lawsuits filed by Livedoor shareholders seeking compensation for losses after its stock

price plunged in the wake of the scandal.

Horie took corporate Japan aback by wearing T-shirts as he negotiated with older men in suits, and by complaining loudly of being bored with the business world's slow decision-making.

The University of Tokyo literature dropout became a household name with his entrepreneurial style that broke the rules of corporate Japan and made him a hero to many young people.

He made headlines in 2004 when he attempted, unsuccessfully, to take over Osaka's indebted Kintetsu Buffaloes baseball team.

The following year he launched a rare hostile takeover bid for Nippon Broadcasting System, which had agreed a deal with broadcaster Fuji Television. The attempt failed but led Fuji to take a minority stake in Livedoor.

Horie was a member of the "Roppongi Hills tribe," an elite circle of rich young entrepreneurs who work and play in a glitzy modern residential and business complex towering over central Tokyo.

Dating leading actresses and known to zoom around Tokyo in a Ferrari, his nickname was "Horiemon", a play on the name of popular blue robot cartoon cat "Doraemon".

He has published about 20 books since his arrest, defending himself and featuring essays, interviews and novels, as well as an online magazine that had more than 10,000 paying subscribers in November.

He has also started a company, SNS Inc, which is developing a small liquid fuel rocket, with the goal of sending up mini-satellites by 2014.

Horie has more than 700,000 followers on Twitter, making him one of Japan's most popular micro-bloggers.

His last message, posted on Monday morning, announced he would wear a mohican on his last day of freedom.

In prison the hairdo was likely to be reduced to a regulation jail crew cut.

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Citation: Japan's brash Livedoor tycoon heads to jail (2011, June 20) retrieved 24 May 2024 from <https://phys.org/news/2011-06-japan-brash-livedoor-tycoon.html>

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