

Written by Administrator  
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By [SHAI OSTER](#)                      And [KATE O'KEEFFE](#)  
Reuters

Casino tycoon Stanley Ho confirmed his share transfer plan during a broadcast Wednesday, with wife Ina Chan (right) and a daughter at his side.

HONG KONG—Chinese tycoon [Stanley Ho](#), 89 years old and confined to a wheelchair, rolled before TV cameras Wednesday to explain publicly for the first time whom he favored in the power struggle within his convoluted family to control one of the world's most profitable casino empires.

Just when it appeared settled, the drama over Stanley Ho's empire takes a new turn. Meanwhile, will Sony's new playstation give it the leg up on competition? WSJ's Jake Lee discusses these issues with Asia Heard on the Street Editor Mohammed Hadi.

But Thursday morning, his lawyer said that Mr. Ho had been forced to make the televised statement, and that he had filed a lawsuit against two branches of his sprawling family to regain the shares of his flagship casino empire, raising the specter of a drawn-out courtroom fight.

It was the latest twist deepening the mystery over the billionaire's intentions, raising fresh questions about his competence to decide the fate of one of China's greatest business dynasties.

In the broadcast, Mr. Ho read from handwritten note cards in slow, clear Cantonese, affirming that he was splitting his holdings in Macau among two different wives and the five children of one—a plan that family members left out in the cold had contested after it was released earlier this week.

"The big problems have all been resolved," said Mr. Ho, appearing at times to struggle to read the words. "My family and I are very happy on executing the plans," he added. "I do not hope to see any further changes."

Mr. Ho was accompanied by Ina Chan, whom he acknowledges as his third wife, and one of their daughters at Ms. Chan's home in Hong Kong, where most of the family clan lives. The tycoon said he was "very well" and that he didn't want his family problems to end up in court.

But according to the court document seen Thursday, Mr. Ho is suing his second wife and her five children as well as his third wife, alleging they illegally took away his shares of a special investment vehicle through which he controlled the casino company he founded. The writ, signed by Mr. Ho, asked the courts for an injunction on the two families to prevent them from doing anything with the stake, and said that Mr. Ho was seeking damages from them.

"It is still our hope that the family can resolve this matter and that Mr. Ho's assets can be distributed according to his wishes," Gordon Oldham, the lawyer for Mr. Ho, said in a statement.

At stake in this real-life soap opera is control of a gambling empire that dominates what has become the world's new gambling capital. Gambling revenue in Macau, a former Portuguese colony that is now part of China, rose 60% last year, and it is expected to rise another 30% this year to about \$35 billion. By comparison, the Las Vegas Strip generated \$7 billion last year.

Earlier, on Wednesday, Angela Ho, a daughter of Mr. Ho and his first wife, issued her own statement, saying she "cannot believe" her father would leave her family with nothing. "My father speaks to me often about how he intends to divide his estate evenly amongst his children," she wrote, "and I therefore find statements and actions made and taken by his mistresses and their children, which do not conform to this wish, highly disconcerting and hurtful."

### [Hong Kong's Feuding Families](#)

The Stanley Ho family feud is a dramatic example of the challenges facing the generational transfer of family fortunes. But in Hong Kong, it is hardly the only. [A look at some of Hong Kong's other fighting families](#)

Mr. Ho has acknowledged having 17 children with four different women whom he calls wives but whom he may not have legally married.

Since the start of the week, Mr. Ho's children, three surviving wives and lawyers have brandished letters, purportedly signed by the patriarch, and publicly accused each other of trying to seize Mr. Ho's controlling 18% stake in [SJM Holdings](#) Ltd., operator of his flagship casinos. The value of the stake is estimated at \$1.7 billion.

Mr. Ho's rise has mirrored the gains of the Chinese consumer class. Since Macau reverted to Chinese rule in 1999, travel restrictions between the southern enclave, which maintains its own laws and government, and the Communist mainland have eased and transportation links have improved. As a result, a flood of tourists and high-rolling VIPs have come to gamble in Mr. Ho's casinos, which account for roughly 30 cents of every dollar bet in Macau.

### **All in the Family**

Mr. Ho has a complicated family tree, which includes four women whom he and others refer to as his wives. Ownership of parts of his empire by the women and their children have complicated the outlook for SJM's succession.

Associated Press

Hong Kong and Macau tycoon Stanley Ho, in wheelchair, with some family members in November

Beijing has remained quiet on the events shaking the House of Ho. Macau's Beijing-supported chief executive, Fernando Chui, believes it isn't the appropriate time to comment on the share-transfer dispute, the government said.

China generally leaves day-to-day management of Macau to Mr. Chui and his government. But the enclave is dependent for its economic success on China's largess in allowing the free flow

of tourist traffic from the rest of the country.

### [Macau's Biggest Players](#)

[Market Share: See a slideshow of Macau's gambling kings.](#)

Understanding that dependency, Mr. Ho has long nurtured his relationship with China, winning an appointment to the nation's highest political advisory body. In 2007, he spent \$8.9 million for a bronze horse head, part of a fountain destroyed by British and French troops in an 1860 imperial retreat, and donated it to his homeland.

The head is now displayed in the lobby of one his casinos, alongside a smiling bust of Mr. Ho himself.

Mr. Ho's efforts didn't prevent the Macau government from ending his four-decade gambling monopoly in 2002, allowing foreign competitors like Steve Wynn and Sheldon Adelson to enter the market and inject a dose of Las Vegas-style glitz into Macau's staid casino culture.

But the events of the past week have thrown into question who will take control of his business. For now, the winners appear to be the families of wives No. 2 and No. 3, who were given ownership in the last key asset that gives Mr. Ho a stake in the Macau casino business, according to an official announcement by SJM earlier this week.

Bloomberg News

Casinos rise from the skyline of Macau, China.

One likely loser is Mr. Ho's fourth wife, Angela Leong, a former dancer who is already a major SJM shareholder and director. The asset shift raises questions about her future ability to shape

strategy at the company.

At the center of the fight is control over an obscure shell company called Lanceford Co., which Mr. Ho used to hold his nearly one-third stake in Sociedade de Turismo e Diversões de Macau, the company better known as STDM. STDM, in turn, controls SJM Holdings, Mr. Ho's listed casino operator.

Analysts say that leading the two sides are Ms. Leong, on the one hand, and Pansy Ho, oldest daughter of wife No. 2, on the other. Pansy runs her own gambling franchise in a joint venture with MGM Resorts International and is a managing director of a property and transportation conglomerate her father founded.

Industry observers say that Pansy likely wanted to make sure that low-profile wife No. 3 received a slightly larger share of Lanceford to avoid Macau government restrictions on holding more than one gambling license at the same time.

But the future of Mr. Ho's legacy grew increasingly cloudy as Mr. Ho seemed to make contradictory decisions and the children from his first wife stepped into the fray, casting doubt that he would be able to rein in the spiraling fight.

### **Gambling Empire**

See a timeline of Mr. Ho's casinos business.

Mr. Ho is no stranger to controversy. His sister Winnie Ho tried to block the initial public offering of SJM and still has some lawsuits outstanding against her estranged brother.

Over the years Mr. Ho's family's planned casino partnerships in the U.S. have attracted the attention of U.S. State Department officials and state casino regulators, who have linked Mr. Ho with Macau's organized-crime rings.

## New Twist in Battle for Casino Dynasty - Wall Street Journal

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Mr. Ho has denied all such allegations and was never charged with any crimes. SJM Holdings didn't respond to requests for comment.

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