# Samsung promotes chairman's son to vice chairman

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SEOUL, South Korea (AP) -- Samsung Electronics Co. promoted its chairman's only son to vice chairman, putting the 44-year-old closer to the top leadership position at the world's largest maker of memory chips, mobile phones and TVs.

Samsung, South Korea's largest industrial conglomerate, announced Jay Y. Lee's promotion to vice chairman just two years after he was named president. He assumes his new post Wednesday.

Samsung said in a statement that Lee, who was also chief operating officer, had contributed to the growth of its smartphone and TV businesses.

Lee, a graduate of Seoul National University of Korea and Keio University of Japan, is a grandson of Samsung founder Lee Byung-chull and the oldest child of current chairman Lee Kun-hee, South Korea's wealthiest man.

Lee's work has involved building Samsung's relationships with suppliers and other companies it does business with while his reclusive 70-year-old father focused on mapping out big picture strategy for the group.

The promotion was surprising because candidates in South Korea's Dec. 19 presidential election have been stepping up their pledges to curb the power of chaebol, the family-controlled conglomerates that operate a wide range of businesses from retailing to consumer electronics and heavy industries.

In South Korea, founding families of chaebol, such as Lee of Samsung and Chung of Hyundai, wield great power within their companies even though they hold only a minority stake in the group.

Some credit family ownership for enabling fast and bold decision making while others criticize conglomerates for putting too much emphasis on clan connections, stifling innovation and maximizing profit for the family rather than shareholders.

The promotion of the younger Lee comes as Samsung's chairman faces civil lawsuits filed by his older brother and two other family members who are claiming a bigger inheritance from the estate of the Samsung founder.

The inheritance battle might prevent Lee Kun-hee from transferring shareholdings that allow control over Samsung to his son. The first court ruling is expected next year.

The promotion of Lee was part of Samsung's annual executive reshuffle. Samsung

also promoted vice presidents of mobile phone operations, Lee Don-joo and Hong Won-pyo, to presidents, recognizing the company's growth in smartphones with the Galaxy brand.

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