



## Private eyes open in the City

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By: Ashley Seager

A new firm of City private investigators opens its doors for business today in response to growing demand for corporate sleuths in the wake of the Enron and Worldcom scandals and amid increasing global insecurity.

Corporate investigators are also featuring in takeover battles. Marks & Spencer swept its offices for bugs when it was trying to fend off a bid from Philip Green, although it was careful not to suggest that Mr Green or his advisers had been involved in any of the alleged chicanery.

A team of private investigators is said to be in Madrid, gathering intelligence on Banco Santander Central Hispano, which is vying to take over Abbey National.

Grayson Pender Words worth has been set up by former executives from Kroll, one of the City's best known detective firms.

Formed by Patrick Grayson, the former Kroll London chief, and two of Kroll's senior directors, Peter Pender-Cudlip and Andrew Wordsworth, who left the company in July, it will be competing with the likes of Kroll and Control Risks.

Mr Pender-Cudlip says the market for corporate investigative services is growing rapidly because of increasing political and business uncertainty.

"People are much more cautious in their business dealings, so people are putting more resources into understanding the risks before they act," he said.

"This is an industry where size does not count. It is down to the knowledge and reach you have as well as the experience and contacts. Our strengths are that we are small and nimble."

Although investigators have a secretive, clandestine image, their activity is not illegal. Much of their work involves the painstaking checking of companies' records or directors' CVs.

Many of Grayson Pender Wordsworth's clients are likely to be private equity firms and hedge funds, as well as potential investors who want to check out the solidity of the companies they are interested in.

"The burden upon business people to gain a full and comprehensive understanding of the marketplace in which they operate and – most importantly - the credentials of those with whom they deal, has never been greater," said Mr Grayson.