



The Legitimate Face of Corporate Spying

Ben Harding meets gpw, Mayfair's newest suited sleuths.

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In the heart of London's Mayfair, the epicenter of Europe's hedge fund and private equity business, there is a discreet black door that leads up a flight of stairs to the offices of private investigators Grayson Pender Wordsworth (gpw). Go left out of the door and you reach the boutique offices of the cluster of private equity firms around Berkeley Square, a right turn leads you down Curzon Street, the "Hedge Fund Alley" of the West End. The pubs and members clubs that are liberally scattered around this part of town throng with suited gentlemen of the old English school.

However, the old-school-tie network that seemingly epitomises the area has broken down, and this is one of the reasons why a new group of corporate gumshoes has set up shop in the heart of Ian Fleming country.

As multiple transactors, the buyout and hedge funds provide a ready market and as their business spreads out of the traditional comfort zone, the need for more thorough due diligence increases still further.

The three men with their names on the brass at the newest investigator in town are Patrick Grayson, Andrew Wordsworth and Peter Pender-Cudlip. As well as all representing a different generation, they differ widely in personal style and career history.

Grayson has a CV that reads like a Graham Greene novel and an amiably imposing manner that suggests he has just stepped from the pages of one. Tall, with a military bearing and Hestletinesque sweep of grey hair, it is easy to see why Grayson impressed Jules Kroll when he was looking for a man to expand his eponymous investigations and security firm outside the US.

Perhaps, as a youth spent traveling as the son of an army officer, Grayson was also destined for the wandering life. His office bears some reminders of this life, which has encompassed a 15 year stint with the Irish Guards, six years as an international marketing man for Imperial tobacco, three years selling weapons systems for Heckler & Koch and a further three years spent founding his own security firm.

There is a large original cartoon on the wall depicting a helicopter evacuation scene (Somalia, Vietnam?), an unexploded grenade from his time spent fighting Yemeni insurgents in Aden, a pair of ancient brass binoculars and a carved African figurine.

It was the formation of the security company to protect overseas embassy staff, which later became ArmorGroup, that drew attention from Kroll. In 1986, Grayson joined the US firm as head of its European operations, where he remained for the next eight years.

“At that time, this kind of work was still seen as slightly dodgy in London, but the arrival of Kroll, which was then known as ‘Wall Street’s private eye’, changed the perception of the whole industry, making corporate investigations part of the legitimate commercial landscape,” Grayson says.

After famously leading a team to track down Saddam Hussein’s foreign assets, he set out on his own as an adviser to the investigations business in 1994 with Grayson & Company.

Early this year, two other senior members of Kroll also quit with the intention of going it alone. Andrew Wordsworth represents the next generation down and most resembles the private eye. According to Grayson he is an “artist at public record”, the process of unearthing everything in the public domain, and there is a look to him that suggests desk time in libraries and offices.

“It is a question of knowing what is available on the record in different jurisdictions and then knowing how to extract it,” says Wordsworth. “For instance, information that is readily available in one Swiss canton may not be available next door. It is a question of knowing who is the friendly figure to go into a particular Seychelles public office. This data base of information is built up through long-term experience”.

At Kroll, Wordsworth’s legal training prepared him well for the more technical forms of investigative intelligence, such as asset searches, fraud investigations, computer forensics and hedge fund investigations. Prior to his work in the world of business intelligence, Wordsworth was employed in hedge fund design for Man Group.

The youngster of the group is Peter Pender-Cudlip, who, despite his age, has already progressed through three careers at the heart of the City. Most recently, he was deputy head of Kroll’s London business intelligence practise and head of its hedge fund consulting practice. In his 10-year spell in the City prior to Kroll, Pender-Cudlip had careers in law with Norton Rose, investment banking with Schrodgers and PR with Citigate Dewe Rogerson and Finsbury.

Between the three of them they do bring a huge amount of experience in different fields, spanning personal networks in different generations and across many geographical boundaries.

As Grayson explains, the market for these services has undergone quite profound change as many of their potential competitors have skewed their businesses towards the highly lucrative security work in global flashpoints such as Iraq. “I think it is fair to say that intelligence and investigations makes up a lesser part of the work undertaken by the likes of Kroll and Control Risks than it used to”, he says.

The idea behind gpw is to provide a service that is wholly dedicated to what Grayson calls “pure intelligence”. The range of serviced on offer will include M&A and key man due diligence; hedge fund consulting; information gathering in support of litigation; asset recovery; fraud investigations (both internal and external) and competitive intelligence research.

According to the group, key to the successful implementation of this “pure intelligence” strategy is an acute awareness of the commercial side of things. As such, all have backgrounds on the “other side”, enabling them to understand boardroom demands.

“Because our faces fit and we all understand the mechanics of these institutions, we are able to sit in front of the board with the rest of the due diligence team and understand the commercial imperatives,” says Pender-Cudlip.

Despite the diversity of their backgrounds, there is certainly a common thread that links the three together – all blend seamlessly into the easy world of money and privilege that passes for life outside that discreet black door.