



The Story of Chesham Amalgamations

Francis Singer founded the firm Chesham Amalgamations & Investments Limited in 1962. He was born in rural surroundings east of Vienna and was therefore originally of Austro-Hungarian nationality. When World War II broke out he was in Britain as part of a lengthy process of avoiding joining his father's timber business by touring West European universities gaining additional degrees. One of these led to his becoming Doctor of Philosophy, and it was as Dr Francis Singer that he became well known in financial and corporate post-war Britain.

Dr Singer spent much of the fifties as a management consultant in Britain. He explained his entry to the mergers and acquisitions profession in terms of his once advising a client that he would be better off by selling his failing business to a successful competitor than by continuing to hire him - Dr Singer - as a company doctor. The client bought the concept – and challenged Dr Singer to identify potential buyers and negotiate a sale! Which he did.

Francis had met a fellow Austro-Hungarian, Nicholas Stacey, to whom he spoke of his plan to incorporate an M&A business. Nicholas was at that time Director of the Chartered Institute of Secretaries and had a penchant for publicity and public speaking. They became partners and took a lease in Belgravia of 36 Chesham Place, a six storey house overlooking an attractive triangular green opposite what is today the German Embassy. Nicholas introduced Sir Miles Thomas, later Lord Thomas of Remenham, whose career had begun with a spell as PA to Alfred (later Lord) Morris, in the motor industry, and included Chairmanship of British Overseas Airways Corporation, now BA, and of the National Savings Board. Miles, apparently with encouragement from the then prime minister, Harold Macmillan, became Chairman of Chesham.

Two years after the founding of Chesham, the Labour government that came to power in 1964 gave a political slant to mergers and the economies of scale which had been only hinted at by the previous Tory administration. The new Labour government set up the Industrial Reorganisation Corporation under the leadership of Charles Villiers. Chesham gained significant extra business in the later part of the decade from this development.

By 1969, Chesham's list of successfully completed transactions and the ensuing revenues had become strong enough to enable Francis and Nicholas and Sir Neil Shields, who had by then joined them as a third executive director, to enter the investment field in their own right. A successful bid was made for the Central and Sherwood Trust, the main attractions of which were that it was (a) poorly performing and (b) in the briefly fashionable print and publishing sector. Three years later The Stock Exchange put pressure on the C&S directors to put their private company – Chesham – into their investment stable and the business became a hybrid. With this mix customers of Chesham feared that C&S would get the juiciest pickings and staff of Chesham, by then four or five brokers, often became exasperated by a parent company which, as a client, was well nigh impossible to please!



During the later sixties and early seventies, Jim Slater and others had developed the process of identifying poorly performing businesses, buying them at heavy discounts to their asset values and “restructuring.” C&S joined in this activity by acquiring a Sheffield based heavy engineering goliath, Newton Chambers, one of whose assets, Izal, was pre-sold at a price equivalent to the purchase price of the whole group. Francis and his colleagues had completed the process of divorcing themselves from the day-to-day management of merger broking. As principals, Francis and his partners brought about a very significant improvement in the fortunes of the rump of Newton Chambers – by far the largest component of C&S – over a number of years at the end of the seventies. Later Francis was to publish a book: *The Fall and Rise of Newton Chambers*.

Francis, Nicholas and Sir Neil retired at the end of 1983 (Lord Thomas had died a few years previously). A long-term non-executive director, John (later Lord) Eden, a nephew of Anthony Eden, became Chairman of C&S. One of his immediate tasks was to hive off Chesham at the behest of institutional shareholders with no feeling for the umbilical cord that had tied it to its parent. Chesham was sold in March of that year to Grovewood Securities, one of its more successful clients. Grovewood had by that time become a subsidiary of Eagle Star Insurance which was in turn acquired two months later by British American Tobacco as part of its diversification away from dependence on tobacco towards the financial services industry. After the retirement of John Danny, Grovewood’s founder, Chesham was for two years a subsidiary of one of the country’s top 100 businesses – and barely noticed by its parent!

Francis, meanwhile, after a period of well-earned retirement, decided there was nothing quite like merger broking and, with another fellow former Hungarian, founded Sigma Marketing, at the desk of which he died in November 1996.

In 1985, John Fleming, who had built a successful career in South Africa culminating in ownership of the PE Consulting Group franchise there, decided to move to Britain. In partnership with the former office-boy-to-Chairman of PE International, Jim Paton, who had been involved in acquisitions with Grovewood, he acquired control of a competitor of Chesham, of roughly similar size but with a less well-known name, Stephen Parkyn Limited. Stephen Parkyn had become involved in a first round of the “unbundling” of the non-core components of BAT – mainly former Grovewood subsidiaries – and it acquired the business of Chesham as part of that process, merging the two businesses and adopting the name of the latter. In 1988 the business moved to No 2 Bentinck Street in Marylebone.

Jim Paton died in 1996 and in 2004 John Fleming eventually took retirement and Chesham was sold to two of its brokers; Jonathan Reddaway and Philip Craig.

In the modern idiom, Chesham today is a virtual company operating in an electronic environment. Its heart is the database of contacts built up and the fund of experience developed over the 4 decades of its existence as well as its reputation in the market as a source of sound, sensibly valued opportunities. Its computers are remotely hosted and its directors and brokers work from various locations. Whilst deals are no longer concluded over lunch at Claridges (where Chesham had a regular table) the directors and brokers of Chesham nonetheless work hard to preserve the ethic of personalised attention to both buyers and sellers of companies.