

# an ancient title is under investigation in Germany over a company he acquired



The good life: left, Rhodri Philipps and a friend at a London ball. Above, polo-playing Philipps owns his own team, Prodigal. Below, Philipps's home, Strange Place, in Sussex, was bought after the Brochier takeover



to be the buyer of their firm. They still do. "He was the white knight we had all prayed for," a member of the workers' council said. "From what we could see, he was a man of considerable wealth from an aristocratic family. We were told he was a descendant of Richard the Lionheart. He seemed determined to make some serious changes."

Certainly, changes were made. Within three weeks of the Aubach takeover, two of Philipps's associates, who had been appointed directors of Brochier, signed a handwritten note giving instructions for €3 million of Brochier's working capital to be transferred to "a new client account in London". Around the same time, €8 million of the original 11 million was used to buy a chemical company called L II.

Then Philipps went shopping with the Brochier company credit card. According to the statements, shown to the Nuremberg prosecutor, the old German construction company made some surprising acquisitions, thanks to Philipps.

Some £3,800 was spent at Purdey, the gun-maker, in October 2005 and then, three months later, the Brochier company credit card was used to buy a £5,000 shotgun at Purdey. It was also used to pay for more than

£12,000 worth of executive jet hire, a night out at Annabel's in Berkeley Square, purchases at a well-known Jermyn Street shirt-maker and numerous meals, including one that cost £263.69 with Gordon Ramsay at the Connaught. Thousands of pounds were spent at the Walbrook. In a two-day period shortly before Christmas 2005, Philipps paid a bill for £3,899 at the City club, using the Brochier credit card.

**M**EANWHILE, things in Nuremberg were looking bleak. The Hans Brochier Group was on its knees. There was no money to pay salaries and workers demanded answers. Officials from IG Bau, their union, began making their own inquiries.

They discovered the €11 million, which they claimed had been given by Brochier's former owners as a dowry, had gone. They also discovered that when the deal was done, Philipps was an undischarged bankrupt. And the companies used to take over their firm were Bromley Consulting in London, and Optional Systems, registered in the Seychelles. They could discover nothing about these firms or what their assets or who their owners were.

When this news was relayed to the Brochier workers, there was uproar. Last summer, as Philipps attended a meeting with lawyers at the company, a group of men stormed the executive suite on the fifth floor.

This was one account of the incident: "They [the workers] did not know Philipps was present and pressed instead his representative. Philipps and the lawyers quickly locked themselves into the office, staying there quiet as mice, waiting until policemen had driven the workers out. Then they disappeared."

One member of the workers' council, Peter Jung, claimed Brochier had been "plundered".

His colleague, Frank Schmidt Hullmann of the IG Bau union, who has been trying to put together a rescue deal, said: "People thought he [Philipps] was an aristocrat. His father had been in the House of Lords. People looked up to him and were impressed."

Now, the Brochier workers are confused. What was the status of the money they understood had been left by the former owners to safeguard the firm's future? No one seems to know, except it is no longer there. Philipps has borne the brunt of their anger, but is this fair? While he acted as a

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principal in the takeover, others worked with him. What was their role?

All these questions are being addressed by the administrators and the Nuremberg prosecutor. As Brochier went into administration, the union worked to save jobs. Now, it seems around 700 of the original 800-strong workforce might remain employed. At least 100 workers, however, have been laid off.

The situation has generated anger in Germany. Andreas Quentin, in the Nuremberg prosecutor's office, told the Standard the affair is being "actively investigated". He confirmed the investigation was looking at allegations of criminal behaviour.

So where does that leave the Hon Rhodri Philipps? Contacted on his mobile phone, while conducting other business in Germany, he said: "Someone has been spreading malignant gossip about me."

He suggested we send him questions by email. The questions were sent; no answer has been received so far. He was expected back in Sussex this weekend. When the house there was bought by his company, he changed its name to Strange Place, perhaps with a nod to his distinguished forebears, the Barons Strange. As the Brochier workers might say, strange indeed.

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