THE TENTACLES of Freight Services, the South African forwarding and clearing agency once responsible for oil sanction-busting in Rhodesia, have now spread all over the world.

Directors of Freight Services' subsidiaries elsewhere, and those associated with them, say there are sound commercial reasons for keeping the South African connection a secret. It may be that some companies or countries would not want to trade with a firm they knew was ultimately owned by the South African Government.

The complex transactions used to hide the ownership of one company, Davidson, Park and Speed, meant that even careful research led to what seemed to be a dead end in Panama rather than a link with South Africa. But in order to maintain control Freight Services have had to keep their own men in charge. The South African nationality and addresses of two men, Richard Streatfield Wilkinson and Neville John Organ, gave their association away — even though their key positions in Freight Services were not mentioned in British company records.

In South Africa, however, Mr Organ is shown as managing director of Freight Services Holdings, and Mr Wilkinson as managing director of Freight Services Forwarding, the operating company.

Ereight Services powers

Freight Services now employs more than 4,000 people and has created many subsidiaries — apparently one for almost every country in Africa, in order to maintain a base whatever the local regime's attitude towards Pretoria. There are now more than 60 subsidiaries worldwide.

The Bingham report of 1978 on Rhodesian Sanctions Busting touched on this complex company organisation. It said sanctions busting had originally been carried out by a company called Parry, Leon and Hayhoe - which, it goes on was taken over by Freight Services Limited, a South African Company, in 1969. The report says Parry Leon and Hayhoe was part of the Anglo American Group - the Oppenheimer Empire - in South Africa. Freight Services claimed to be South Africa's largest and best equipped shipping and forwarding group.

The first clue that Shell in London had as to how the petrol was reaching Rhodesia was when a South African executive mentioned Parry. Leon and Hayhoe. This company was buying petrol in Mozambique and shipping it along the rail link to the Transvaal. Shell had noticed a very considerable increase in shipments since UDI and they had reason to believe that a large part of the consignments was being diverted along a branch line which went straight into Rhodesia.

Bingham, presumably from material supplied by oil companies, went on to say that the company changed its name to PLH Freight Services in 1972, and AMFS Forwarding Ltd a short time later.

In August 1978, when the Bingham Report was about to break on British politics, the majority shareholding was FSH Forwarding Ltd of the Transvaal. The rest was held by Freight Services Holding Ltd. These companies are all part of the organisation called simply Freight Services by Bingham. From the report it does not appear that the Bingham investigators knew that the original Parry, Leon and Hayhoe was registered in London.

Company searches show that, in addition to the changes noted in Bingham, the company altered its name again in November 1978, this time to Manica Freight Services (UK) Ltd. At that time one of the directors was Mr Richard Streatfield Wilkin-South African Throughout the next five years his name constantly appears, disappears and reappears on company records as Freight Services' net has spread wider.

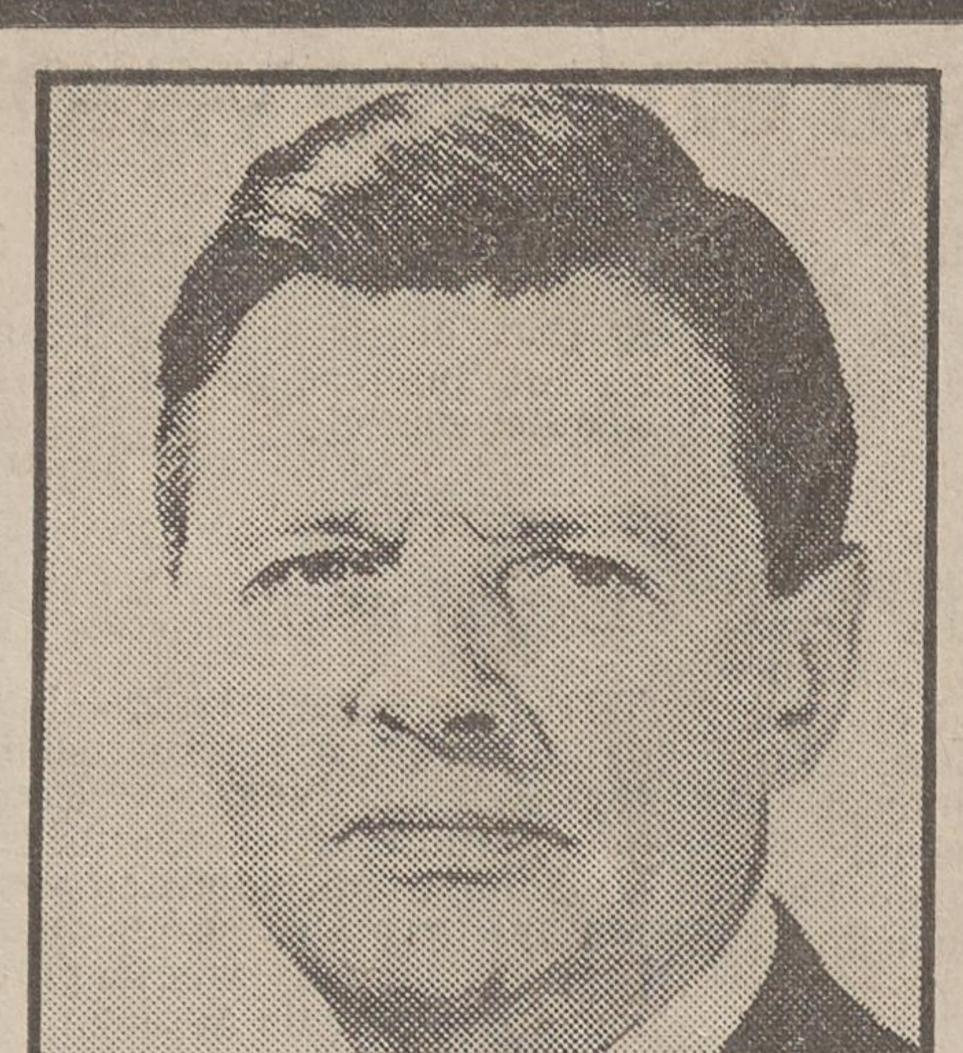
On November 15, 1978, according to the records of Manica Freight Services (UK) Ltd., Mr Wilkinson was a director of 21 other companies. Most of them appear to be Freight Services subsidiaries. The Lourenco Marques Forwarding Co, Ltd, also mentioned in Bingham as a sanction-buster, is among them.

On November 28, 1979, however, Mr Wilkinson is said to have resigned from Manica Freight Servives (UK) Ltd. On the same day he resigned from another Manica company, the Manica Trading Company Ltd. This Freight Services subsidiary has its main trading operation in Mozambique.

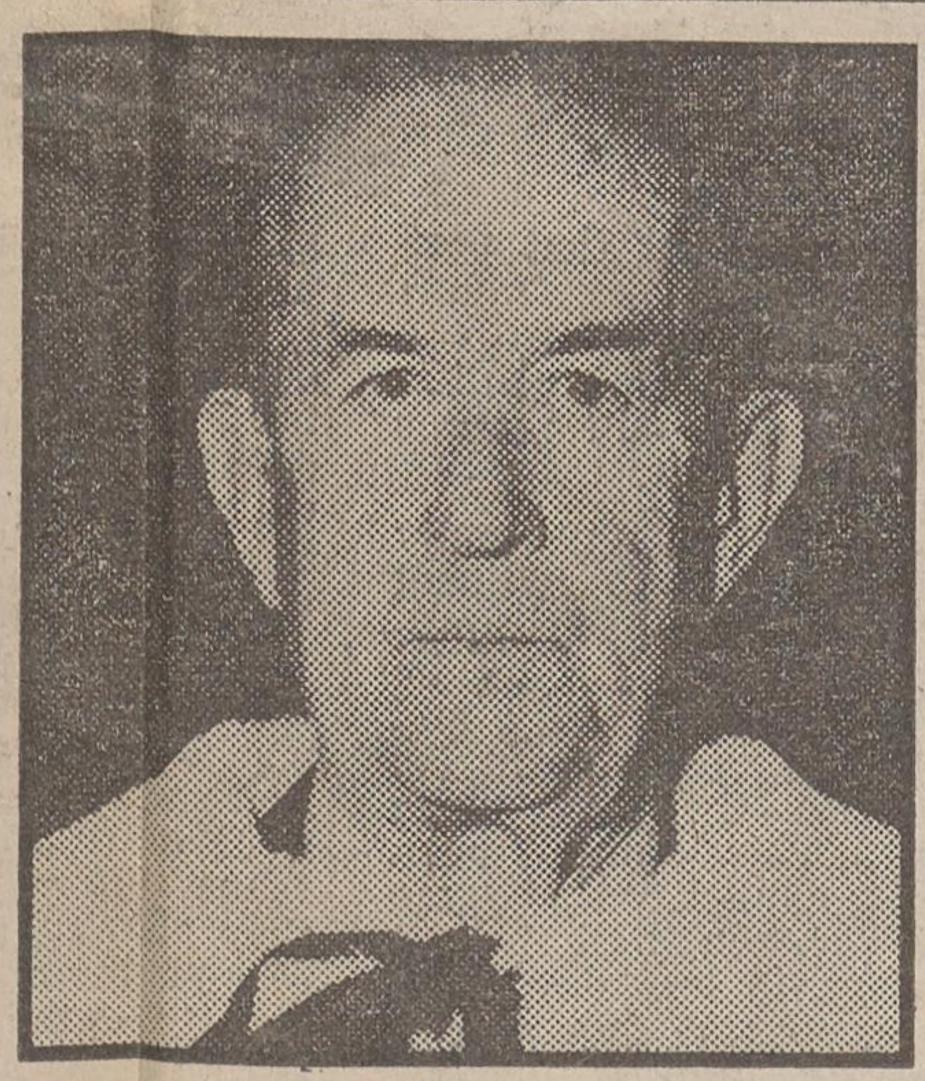
A curious item in this company's accounts refers to capital tied up for several years in Beira, the Mozambican port where oil intended for Rhodesia was left standing in storage tanks and in the Beira-Rhodesia pipeline. The oil was there for several years while the Royal Navy blockaded the port.

AT THE same time as Mr Wilkinson disappeared from the company record in London, a number of curious changes were being made in Scotland to a freight forwarding company which had no apparent connection.

An old-established and respected freight forwarders called Davidson, Park and Speed was in the process of being taken over. Although on the surface it did not appear to have a South African connection, it was owned by the Cayzer family. Lord Cayzer is the chairman of British and Commonwealth Shipping Co Ltd, and Sir Anthony Cayzer is the deputy chairman. Through that com-



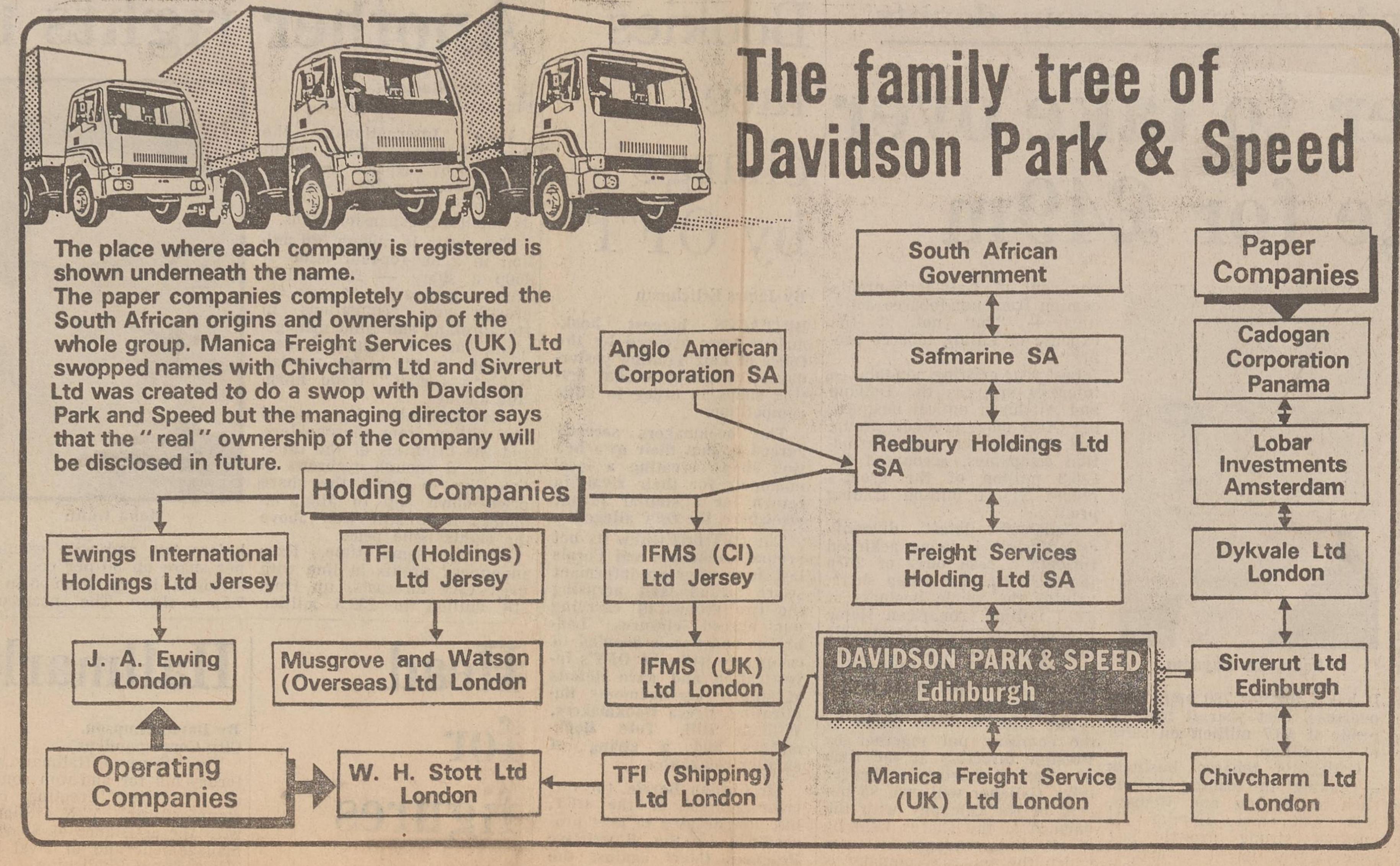
In November 1977 the United Nations Security Council adopted Resolution 418 (1977) which imposed a mandatory arms embargo against South Africa. It ordered that all states should cease forthwith to provide arms and related material. It also excluded any cooperation in manufacture and development of nuclear weapons. In December, 1979, the United Nations General Assembly voted by 124 votes to seven for an oil embargo. It asked for all member nations to pass legislation preventing the export of oil to South Africa. In addition the OPEC countries have an oil embargo to South Africa. So far none of these sanctions have proved effective.





John Lutyens, chairman, Davidson, Park and Speed, Lord Cayzer, left, chairman, British Commonwealth and Shipping and his deputy, Sir Anthony Cayzer

With cunning and deviousness South Africa has built an intricate worldwide supply route through the companies jungle, to protect vital materials should international sanctions ever be applied. PAUL BROWN has spent a year picking up the trails and cutting through the camouflage. He found that all roads led back to one company, Freight Services, which previously was instrumental in busting the sanctions applied against Ian Smith's Rhodesia.



South Africa's other secret service

pany they both have strong links with South Africa.

British and Commonwealth Shipping, which the two Cayzers control, have a stake in the South African Marine Corporation, known as Safmarine. This is South Africa's biggest shipping line and is 51 per cent owned by the South African Government — with 21 per cent owned by British and Commonwealth. Safmarine's long list of subsidiaries includes a 50 per cent stake in Freight Services Holdings Ltd, which with a subsidiary, FSH Forwarding Ltd, owns Manica Freight Services (UK) Ltd.

Senior employees of Davidson, Park and Speed knew nothing of these connections. They believed that the Cayzer family controlled their firm personally through a subsidiary called Scottish Co-ordinated Investments. The Cayzers had never interfered with the day-to-day running of the company, and it had operated independently.

Now, however, to facilitate a rather strange takeover procedure, a number of company registrations were being made in Edinburgh.

Two weeks before Mr Wilkinson resigned Manica in November 1979, a company called Sivrerut was formed and registered in Edinburgh. It did not trade and had no assets, but on December 4 it registered its objects as being a shipping and forwarding agents. A few weeks later, on December 28, 1979. Sivrerut changed its name to Davidson, Park and Speed. Since two companies with the same name are not allowed to be registered in Britain, it can be no coincidence that, on the same day, the original Davidson, Park and Speed changed its name too - to SCI Investments. This name is clearly derivative of Scottish Co-ordinated Investments Ltd., the Cayzer subsidiary which owned it.

None of the 150 employees of Davidson, Park and Speed knew about this and the company continued trading as before. Over the next two months the company directors of the old Davidson, Park and Speed were registered with the new company, and they resigned from the company now called SCI Investments. In turn they were replaced by British and

After all the paperwork had been completed, Mr Robert Stevenson, the managing director of both old and new Davidson, Park and Speed, called the senior staff together to tell them about the changes that had been made. One of the things he had to explain was that while the name on the company notepaper had not changed,

the company's registered number had.

At this meeting, held in February 1980, Mr Stevenson told the staff that the company "had bought out Manica" in London. Manica was wellknown in the freight forwarding industry to be very important in Africa, to be a subsidiary of Freight Services and, as such, to have offices in every major port on the African continent. To have bought out Manica's London and Dover offices was regarded by the staff as an important coup which would greatly increase their trade all over Africa.

Mr Stevenson also told them that British and Commonwealth no longer owned Davidson, Park and Speed. He explained that he and Mr Bill Davidson had "bought out the name." (According to the company searches, Sivrerut — which until the switch of names had been a £100 paper company -- paid £484,000 for the name, assets and staff of Davidson, Park and Speed. Neither these facts, nor the source of the money, was disclosed to the

Mr Stevenson did tell the staff, however, that he and Mr Davidson would continue on the board, and two long-standing members of the staff were to be appointed to

the board. While staff in Scotland were being kept in the dark about what was really happening to their company, a different company formation agency had been instructed to create Chivcharm Ltd, in London. This company was also formed in December 1979 and did not trade. Using the same ploy as in Scotland, Chivcharm changed its name two months later to Manica Freight Services (UK) Ltd. On the same day the original Manica changed its name to Chivcharm.

The new Chivcharm company was then recorded as having been "taken over" by Davidson, Park and Speed, and having "ceased to trade under its own name." There was no record of this company ever trading under the Chivcharm name.

This simple device had suc-

ceeded in removing any link with Manica or Freight Services, but Davidson, Park and Speed was now being controlled from South Africa.

Companies like ICI, Shell and Tate & Lyle who had for years had accounts with

and Tate & Lyle who had for years had accounts with Davidson, Park and Speed were not told of the change. The company continued to function as before.

GRADUALLY, however, employees of Davidson, Park and Speed began to realise things were not as they had been told. Two new British

members of the board were appointed in September and October of 1980. They were Mr Timothy Singleton, who later became chief executive, and Mr John Lutyens, who

By that time employees had become aware of visits to the Glasgow head office of two South Africans who they assumed were from the Manica company which they had taken over. In fact the two men were Richard Streatfield Wilkinson, the former director of Manica, and Neville John Organ.

Soon it became clear that

these two men were, in effect, running the company. Mr Organ was chief executive of Freight Services in South Africa, and Mr Wilkinson ran Freight Services operations in the rest of Africa. These two men did not become registered as directors of Davidson, Park and Speed until January 1, 1982, although employees say they had been running the company well before that.

Several of the English directors were either not required to attend board meetings, or were not even told about them. All decisions of any importance, and even apparently minor ones, had to be cleared in South Africa by Freight Services. Such items as budgets, salary reviews, and even the size and make of directors' cars, had to be cleared in South Africa.

One rule imposed on the directors was that the name Freight Services should not be used in Britain. Although some employees who found out believed that belonging to such a large organisation might give them the edge over competitors, they were forbidden to use the name. No explanation was given. But one of the things that was discussed informally after board meetings was the possibility of a Left Wing Government in Britain imposing sanctions on South Africa - and the moral position of employees of Davidson, Park and Speed in such circum-

A number of the key decisions of the company were not made in open board meetings and were not minuted. One senior executive said he was never given any information on the background of the organisation. "We were given the mushroom treatment, to quote the well-known South African saying, Keep them in the dark and feed them a load of bullshit. It was a technique frequently used at Davidson, Park and Speed."

WHILE little was being disclosed at board meetings, Davidson, Park and Speed was growing. The company

had a 21-year-lease on air freight facilities at Heathrow Airport, and last year it took over a company called W. H. Stott and Co., of Runcorn in

Cheshire.

Stott and Co. has a large container yard used for freight handling to destinations all over the world. So far, no South African interest has been registered at Companies House, but, as with Davidson, Park and Speed, two British directors were appointed, on January 5, 1983. One of them was Mr Timothy Peter Singleton, the first outsider to arrive at Davidson, Park and Speed. Mr Singleton, like Mr Wilkinson, is a key figure in the transactions involving

Freight Services in Britain.
While Davidson, Park and
Speed was being taken over
and moved from Glasgow to
London, these two men were
busy with a number of other
closely-linked enterprises.

Mr Singleton lives in Nayland in Suffolk, but he once
worked for Manica in Malawi
as general manager. He came

worked for Manica in Malawi as general manager. He came to London to work for a company called TFI (Shipping) Ltd which traded in tea in Malawi and was part of the Manica organisation. It is now a subsidiary of Davidson, Park and Speed.

Further company searches show that Mr Singleton is a

show that Mr Singleton is a key link in several Davidson, Park and Speed companies. He is a director of Manica Freight Services, Chivcharm Ltd, the Manica Trading Co., and two other companies — Musgrove and Watson (Overseas) and Avisair Freightair.

Musgrove and Watson (Overseas) Ltd is the London subsidiary of a South African travel agency which has the giant Anglo American Corporation as one of its main customers. It also holds the American Express franchise and is a subsidiary of Freight Services. Avisair Freightair is an airfreight subsidiary of Davidson, Park and Speed.

As well as having Mr Singleton as a director, all these companies—and a number of others—have another common link, a company called IFMS (UK) Ltd. It first appears at the end of 1979 when Freight Services began to expand in Britain. It was formed in London as Deerline Ltd, and then changed its name to IFMS (UK) Ltd. On December 27, 1979, Kevin Gallagher was appointed a director.

Gallagher's name subsequently appears on a number of company searches. Once described as Irish, he normally features as a South African. This man and IFMS become responsible for filing the dozens of documents to do with changes at Davidson, Park and Speed, Musgrove

and Watson, Chivcharm, Sivrerut, the two Manica companies TFI Shipping, Avisair Freightair, and other, associate companies.

IFMS (UK) Ltd was originally owned by International Freight Management Services of Hamilton, Bermuda, but the shares were transferred to IFMS (ci) Ltd, Jersey, in the Channel Islands. Despite the similarity of names, there is no mention of Freight Services of South Africa in the

The 1967 Company Act states that in the annual return a company must state its ultimate holding company and the country in which it is registered. Detailed searches, aided by this provision, do show a common link between companies which have IFMS (UK) Ltd looking after their paperwork.

AT THE beginning, IFMS registered Redbury Holdings Ltd of South Africa as the holding company of Davidson, Park and Speed, and of other companies in the group. Redbury Holdings, which is not well known even in South Africa, turns out not to be the ultimate holding company after all. Company searches in South Africa show that it is jointly owned by Safmarine and Anglo-American — the same companies that control

Another company which has a South African connection, and a Jersey connection, is J. A. Ewing & Co of London. Mr Richard Streatfield Wilkinson, once of Manica, now of Davidson, Park and Speed, is listed as a director — although on the company return he gives no other directorships in his name.

Three other directors are more forthcoming. Ewing of London has associate companies in New York, South East Asia, Singapore, Hong Kong, Australia, Zimbabwe and other African states. Each one has Ewing London directors on their board.

Ewing gave Freight Services Holdings Ltd., as its majority shareholding, but this was "sold" to Ewings International Holding Ltd., in Jersey. Again Redbury Holdings Ltd. was given as the ultimate holding company, thereby obscuring the real owners - Safmarine and the Anglo American Corporation. This ownership would give the South African Government and the Oppenheimer empire the ultimate say in what goods Ewing's procures.

Ewing's function is to buy goods and organise finance for individuals, companies or countries which do not have agents in this country. It is a way, too, for companies

abroad to buy goods in Britain without the manufacturer needing to know where the goods are destined. Ewing employees say that they have been instructed that they must ship their goods via Davidson, Park and Speed

But while the actual Ewing is ownership of obscured searches it can still be traced back to South Africa something which cannot be done at all with Davidson, Park and Speed. A company called Dykevale Ltd, which was created in December 1979, at the same time as the Davidson, Park and Speed takeover, is shown as holding the majority shareholding on December 31, 1981.

Dykevale is said to own 51,000 shares in Davidson, Park and Speed, and 49,000 in Freight Services Limited. Dykevale and Freight Services Limited are two non-trading companies created in London with IFMS (UK) Ltd doing the paperwork.

A company search in London shows that Mr John Lutyens, the chairman of Davidson, Park and Speed, is a director of Dykevale and that Dykevale is owned by Lobar Investments of Amsterdam. No other information is given.

Although British company law comes to the rescue, and Davidson, Park and Speed reveals in its report of its 1981 accounts that the Cadagon Corporation of Panama is its "ultimate" holding company, this conflicts with the current managing director's statement that it is owned by Freight Services. The Cadagon Corporation does not trade in Panama, and Roy Carlos Durling, the president, is a broker specialising in setting up companies. He says he does not speak English and, in Spanish, he says he refuses to reveal who does really own the Cadagon Corporation.

THE MAN who really did know what happened in the original Davidson, Park and Speed takeover — Mr Stevenson, the managing director— has died. He remained managing director for a year after the takeover, was retired, and died soon afterwards playing golf.

Mr Davidson, the only other director involved, said at his home in Glasgow in January this year that he could not recall a company called Sivrerut being involved in the takeover. "It is all a long time ago."

Although as chairman he was involved in the takeover, he said he was not aware that the company that "took us over" was beneficially owned in South Africa. Mr Davidson was present when the staff were told that his company had "taken over" Manica.

Mr Neil Forster, managing director of British and Commonwealth Shipping Company, said it was understandable that Freight Services should want to keep their takeover of Davidson, Park and Speed quiet - in view of the attitude in this country to South African investment. His company had been offered a reasonable price for Davidson, Park and Speed, and had accepted it. He said that at all times British and Commonwealth knew who was taking over Davidson, Park and Speed because they had a 10 per cent holding in Freight Services as well as the shareholding in Safmarine. They had now sold Freight Services holding for commercial reasons. "Had we thought

the intention was to use the

company for sanction busting

we would certainly have

thought twice about it but it

did not cross our minds.

Even now I would have

thought there were other

ways of going about it, using

brokers without actually own-

ing companies, but that is

not a matter for me." Mr John Lutyens, the current chairman of Davidson, Park and Speed, said there is nothing sinister in the controlling interest of Freight Services. When planning for its future, a company must look at the political situation in its own country and in the countries with which it trades. He could not say what was in Freight Services' minds when they moved into Britain because he was not then a member of the com-

"They may have been hedging their bets" as far as the possibility of future sanctions was concerned:

Mr Timothy Peter Singleton, the current managing director, said: "There was commercial concern that an active South African involvement in freight companies here might prejudice business to areas that did not get on with South Africa.

"Initial secrecy, if there was any secrecy was purely

"Initial secrecy, if there was any secrecy, was purely commercial, not for any devious reasons." He said the company's largest single percentage of business was with South Africa, but they went anywhere in the world.

He said that the company

Dykevale had a majority shareholding in Davidson, Park and Speed. This had now been transferred to Freight Services Holdings Ltd. This would soon show up on the company searches Mr Singleton had not heard of Lobar Investments, which, according to company searches, owned Dykevale nor had he heard of the Cadogan Corporation of Panama which, according to company records, was made the ultimate holding company of Davidson, Park and Speed while he was the man-

He emphasised it was no secret that Freight Services owned Davidson, Park and Speed. It would soon be on the company records if it was not already.