CHAPTER 9

Return to imperial trade? John Holt & Co (Liverpool) Ltd. as a contemporary free-standing company, 1945-2006

Stephanie Decker

As a trading port, Liverpool had many long-standing connections across the globe, especially with the colonies of the British empire. A quick browse through the *Red Book of West Africa*, a business directory of the 1920s, reveals a large number of Liverpool merchants who established offices in one or more of the four West African colonies (Nigeria, the Gold Coast, Sierra Leone, and the Gambia). For Lagos, the number of merchants listed from Great Britain was slightly greater than that of indigenous enterprises (of which only the larger ones were included), and of those thirteen came from Liverpool, nine from Manchester and six from London.[1] One of these companies was John Holt & Co (Liverpool) Ltd., which was considered one of the three 'giants' of the West African trade in the interwar years.[2] The company was founded by John Holt, who first went to Fernando Po, an island of the coast of Nigeria and Cameroon, in 1862, and founded the company in 1897.[3] In the 1940s, Robert Holt, the company's representative in Liverpool's chamber of commerce went so far to claim that it was not wrong 'to say that Liverpool was the home of the West African trade.'[4] At the time of writing, the company, although no longer a giant, continues to operate in Nigeria, and has, exceptionally, kept its head office in Liverpool.

John Holt highlights this connection in its corporate communications through its logo: the round shape is a manilla, 'previously used in some parts of Nigeria as

currency' and the five-point star 'signifies the Group's enduring connection with Liverpool, UK.'[5] The five-pointed star is related to Liverpool's maritime past.[6] The famous White Star Line, the company which owned the Titanic, also used a five-pointed white star, on a red flag.[7] In choosing a corporate logo from two historical symbols, one specific to Nigerian economic and cultural history, the other representative of Liverpool Atlantic history, the company continues to place itself as the agent linking those two places, which in turn defines its identity as an organisation.

Figure 13 John Holt company logo

This chapter seeks to bring together Holt's corporate history after 1945, and analyse it in the light of trends and theories in international business.[8] In the early-2000s, John Holt is probably one of the few remaining corporate links between Nigeria and Liverpool, and its survival, in the face of Liverpool's decline and Nigeria's reputation as one of the most difficult places in the world to do business, seems extraordinary. Nevertheless, at the time of writing, these two factors are integral to understanding Holt's survival and the cause of its organisational form that connects the head office in Liverpool with the Nigerian subsidiary. This type of

company is known as free-standing, which means that its head office is located in a different country from its operations. It has generally been considered a historical phenomenon.[9] By uncovering the rationale for Holt's adoption of this form, this case study adds to the existing debate by analysing the competitive advantage of a Free-Standing Company (FSC) and by showing how it diverges from the explanations put forward in the literature.

John Holt & Co is an interesting case study because it followed the major trends in international business. Holt's corporate development fell into three distinct phases (see Table 1), of which the first two were common for British business in these years. From its inception until its merger with Lonrho, Holt was a family-run business. This has been described as 'personal capitalism' by Alfred Chandler, who argued that this was typical of British business.[10] From the 1950s onwards, Holt experimented with new enterprises, and introduced new divisions to its core business. Eventually it merged with the large conglomerate Lonrho. This trend to diversify and spread risk geographically and through more varied activities has been described by Geoffrey Jones for this period.[11] Hence much of Holt's organisational changes reflect wider trends in international business.

In contrast to this, recent developments appear more surprising, as Holt has returned to an organisational form that many business historians consider obsolete in today's world economy. Important changes began in the mid-1980s, eventually leading to Holt becoming free-standing. Like personal capitalism and the diversification strategy of the 1950s and 1960s, FSCs epitomised imperial business and were commonly registered in London, but also in Glasgow, Edinburgh, Manchester and Liverpool. However, Holt is not the representative of a wider trend in this respect, at least not according to scholarly opinion. FSCs were considered an

important form of international investment in the late nineteenth and early twentieth century, but were thought to have declined after 1950. Although some are still in existence, most scholars, including Mira Wilkins, who first coined the term, consider it a rare and unimportant form of foreign direct investment for the late-twentieth century or the early-2000s.[12]

The main focus of the following section is to explain the most recent corporate history and the logic behind adopting this organisational form. However, the question arises whether Holt's recent history is really an exception, or rather indicative of a trend that can be discerned in Britain's commercial links with the developing parts of the world, and of trends in international business more generally.

Table 1 *Phases of corporate development*

1897	Incorporated as a private limited liability company in the UK
1940s-1966	**Personal capitalism: management by family members and close associates**
1950	Change to a public limited liability company
1957	Holt bought Bartholomew (London) Ltd. and entered motor distribution and related engineering
1960	Holt bought West African Drugs Co., a pharmacy chain
1962	Holt sold its southern African subsidiary
1964	Holt sold Guinea Gulf Line to United Africa Company's Palm Line
1966	Change in top management, family members no longer in executive positions

1969-1997	**Managerial capitalism: part of Lonrho**
1969	Bought by Lonrho
1984	Wine and Spirits business sold
1996/1997	Lonrho split up into Lonrho Africa (includes Holt) and Lonmin (all core mining activities)
1997-2006	**Holt as a contemporary free-standing company**
1997-2001	Lonrho Africa
2001	Management Buy Out by three associates (Nigerian, English and Scottish)
2001–2006	Free-standing company, based in Liverpool

From its inception until 1966, the founding families controlled John Holt, making it a typical case of British personal capitalism: medium-sized, family-owned and controlled by some loyal key employees. Chandler explained this British ‘peculiarity’ as a feature of Britain’s earlier industrialisation, when the lack of transport and modern communications, as well as the smaller size of the British domestic market meant that companies had less reason to exploit economies of scale than their American counterparts. Most other British trading companies, with the exception of the United African Company (UAC), were of a similar size and family controlled.[13]

Originally, Holt traded in general produce and merchandise. Liverpool’s connections to West Africa were based on the import of tropical agricultural products, like groundnuts, cocoa, palm oil and kernels. In addition to this, the Gold Coast exported gold and Nigeria tin, as well as some rubber. Merchant companies shipped these commodities out and brought simple consumer goods like cloth, gin and lamps to West Africa. They rarely traded with the final consumer, but rather passed on goods to African traders and market women locally. This distribution structure was the result of the ongoing expansion of companies like John Holt that began in the late nineteenth century. When Holt’s founder, Robert Holt, first went to the coast in the 1860s and 1870s, many traders were based on the island of Fernando Po in the Bight of Biafra, of the coast of present day Nigeria.[14] Goods were bought and sold off ships that were permanently moored off the West African coast, and Europeans rarely ventured on the land as they fell prey to tropical diseases. This changed with medical advances in malaria treatment and prophylaxis, and this would have a strong impact on the exchange between Europeans and Africans. Hand in hand with the colonial

expansion, merchants, mainly from Liverpool, Manchester and London, expanded their networks along the rivers and, later in the twentieth century, the railway lines, displacing and undermining indigenous commercial elites in the process.[15] However, this was not always the case, as the merchant expansion was in some cases the making of some prominent African trading families. The overall impact was, however, that by the middle of the twentieth century, trade in goods for import or export was firmly in European hands.

After World War Two, Britain's importance in the global economy diminished rapidly, with its share in world exports dropping from 25 to 8 per cent between 1950 and 1970. At the same time, Sterling lost its role as second reserve currency. During the 1950s about one-half of world trade was denominated in Sterling, which declined to 20 per cent in 1970.[16] This reflected a change in global trade flows. Hence Liverpool's role as a gateway to West Africa became less important. Companies in West Africa increasingly abandoned their old commodity trade to focus on more specialised lines, and shifted from retail to wholesale distribution. This was known as redeployment.[17]

Redeployment was not a purely commercial decision. It was strongly influenced by Colonial Office decisions, which helped to determine the political economy of West Africa beyond independence.[18] Previously, the merchants had bought produce from farmers and middlemen up-country for export, in return importing general goods that they traded via their large distribution networks, which were also the produce-buying stations in the harvest season.[19] After World War Two, the colonial administration decided to continue the war-time arrangement of marketing boards, which effectively bought and traded agricultural produce centrally.[20] While British firms were appointed as buying agents for the marketing

boards, their profit margins declined and African politicians increasingly demanded that local traders should get preference.[21]

After many mergers and acquisitions in the West African trade in the 1920s and 1930s, only the largest merchant houses survived. The UAC, together with its two French counterparts Compagnie Française d'Afrique Occidentale (CFAO) and Société Commerciale de l'Ouest d'Afrique (SCOA), controlled two-thirds to three-fourths of all import and export trade in West Africa. After World War II this trade was valued at £300 to £400 million annually, of which the UAC had captured the largest share with a turnover between £200 and £300 million.[22] Holt was the second largest British trader, though much smaller than UAC, it was still considered one of the 'giants' of West African trade in the late 1930s.[23] Although the UAC was London-based, one of its largest trading subsidiaries, the almost independently operated GB Ollivants, had its headquarters in Manchester, which underlines the importance of the Northwest of England vis-à-vis London in the West African trade.

To nationalist politicians and their electorate, this situation was anathema, and foreign companies were pressurized to hand over the traditional import and export business to their African agents and new competitors. Merchant houses invested in wholesale distribution operations, more technically sophisticated goods and department stores. Cities like Liverpool increasingly became simply the corporate headquarters, and the links, which had been created through the exchange of goods and people, began to deteriorate. Holt eventually withdrew from its original business, the export of tropical produce, in the mid-1960s, although the firm had experienced declining profitability throughout the 1950s.[24] It eventually sold its shipping line in the mid-1960s, when concentration, containerisation and national shipping lines in West African states made the operations to complex and expensive.

By 1962, the traditional West African trades performed badly. Although Holt's newer investments in West Africa, mainly industrial ventures, also experienced some problems in that particular year, they were nevertheless on the whole uniformly profitable, offsetting some of the decline in the traditional divisions.[25] The shipping line, another long-established branch of the business, was also affected by import substitution and sourcing of imports from new trading partners other than the UK:

> [...] the outward tonnage from both the United Kingdom and the Continent fell drastically during the year, due to local production in Nigeria and imports from other countries at cut prices. Furthermore the effect of the Ghana budget in 1961 and the new trading agreements entered into by the emergent African states with non-traditional sources, dislocated the traditional sources from which cargoes come.[26]

West African trade was influenced by a number of factors, as the quotation above highlights. Some were European in nature: Britain's relative decline as a trading and manufacturing country, Liverpool's decline as a port, the slow reorientation of British trade towards Europe, away from the United States and the empire (which affected Liverpool due to its geographic position).[27] Others reflected changes in the international economy: newly industrialising countries like Japan began to catch up with Europe and competed successfully in African markets, where their lower priced goods replaced European products. Holt actually switched its source of textiles from Lancashire to Japan in the 1950s.[28] The political decisions taken by countries such as Ghana, which under Nkrumah began to turn towards Communist countries in the early-1960s, meant that more goods were imported from there. Ghana's balance of

payments deteriorated when the price for its main export, cocoa, began to decline in 1959. Hence the country struggled to earn sufficient foreign currency for imports. Ghana's budget of 1961 introduced compulsory savings of 5 per cent on incomes over an annual threshold of £120, which reduced consumer spending even further.[29] But even Nigeria, whose government did not show any interest in socialist measures, no longer sourced the majority of its imports from the UK.

Holt's attempts to reposition its operations in West Africa in response to the economic and political changes during decolonisation were overseen by members of the founding families, although the company went public as early as 1950. However, the majority of its shares were still held by family members. The company introduced a divisional structure in 1958, in order to gain Overseas Trade Corporation status.[30] Holt entered motor distribution and engineering in 1957 when the company bought Bartholomew (London) Ltd. The company also expanded into manufacturing, investing in a stationer, a canning factory, the production of metal windows, enamelware, perfumes and agricultural equipment. In 1960 Holt also bought the West African Drug Co., a pharmaceutical concern.[31]

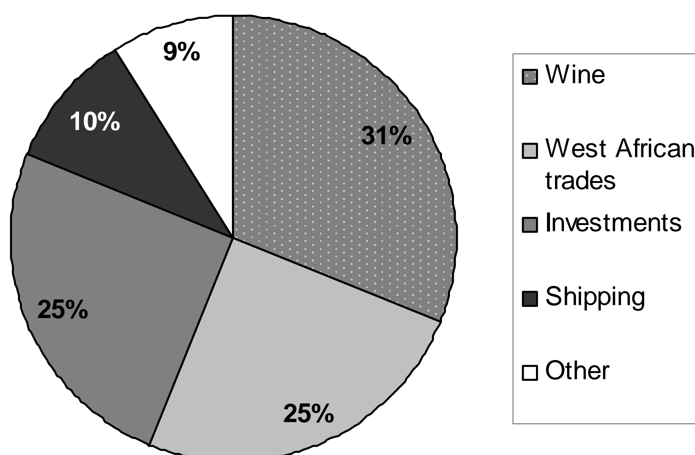
Although still family-owned and controlled, Holt introduced a multidivisional structure. This organisational form was considered by Chandler as one of the key elements in the development of managerial capitalism, particularly in industry.[32] Both management decisions – adopting a divisional structure and eventually accepting an offer by Lonrho – were part of a diversification strategy that was typical of international trading companies in the 1950s, 1960s and 1970s.[33]

Holt not only diversified into new enterprises in West Africa, but also expanded geographically, and had at one time subsidiaries in French West Africa, southern Africa, France, the UK and the US.[34] It was the expropriation of Holt's

property in Gabon that led the company to venture into metropolitan France, as the compensation was paid in Francs and could not be taken outside the currency zone. Members of the Holt family were great wine lovers and this led to the acquisition of a vineyard and a shipper, Louis Eschenauer S.A., and eventually a chain of 80 off-licenses in the UK.[35]

In 1962 the wine and spirits trade had a larger turnover than the West African trade (31 and 25 per cent respectively). However, Holt's was shifting its focus to industrial ventures in West and southern Africa, which already comprised 25 per cent of turnover (labelled Investments in Figure 2). Shipping was conducted by the Guinea Gulf Line, created late in the 1940s (although the company owned ships long before that) which Holt sold in 1964 to the UAC's Palm Line.[36]

Figure 9.1 *Proportion of turnover by business division, year ending 1962*



Source: 66th Annual Report & Statement of Accounts, 31 August 1962, Chairman's Statement, p. 5.

The late-1960s posed new challenges. In 1966, both Nigeria and Ghana suffered military coups. While Ghana returned to a short-lived democracy between 1969 and 1972, Nigeria experienced intense ethnic rivalries over the oil resources in the east and descended into civil war in 1968, when the Eastern region seceded under the name of Biafra.[37] Political instability threatened the company's position, particularly in Nigeria. In 1969, the Inchcape group attempted to take over the company, but failed. A hostile take-over attempt was made by Oliver Jessel, who was described by Holt's chairman, Paul Newns, as an asset-stripper. At the invitation of a member of the Holt family, Tiny Rowland rode in 'like the knight in shining armour', according to Paul Newns, chairman of John Holt & Co (Liverpool) Ltd, and bought the company in agreement with its management.[38] (Rowland was famously branded the 'unacceptable face of capitalism' in 1973 by Edward Heath, then Britain's prime minister.) This was a great opportunity for Lonrho, as Holt's share price was at its lowest in the middle of the civil war. The purchase was made by issuing a package of

Lonrho shares, traded on a two-to-one basis with Holt shares, which were valued at £8 million. At this time the company had a turnover of more than £30 million annually, and provided a ready source of cash for Lonrho.[39] In subsequent years, Holt, operating in the booming Nigerian oil economy of the 1970s, contributed up to 40 per cent of Lonrho's overall profits, similar to the relationship between the UAC and its parent Unilever.[40] Evidence for the time when Holt was part of Lonrho is scarce, but oral evidence indicates that the company continued to develop its operations on similar lines.

The 1960s, when Holt was eventually absorbed by Lonrho, was a decade dominated by mergers, which transformed British business from small atomistic firms to a highly concentrated 'big business'. Hence Holt's development was part of a wider change in the corporate environment, as companies went public (Holt in 1950), founding families relinquished control (Holt in 1966) and thus became more vulnerable to hostile takeovers. Takeovers, which previously had been virtually unknown, now encouraged some companies to follow a strategy of defensive or pre-emptive mergers with a party of their choice, in order to avoid to be swallowed by a more aggressive competitor.[41]

A free-standing company in Liverpool

Holt continued to operate almost autonomously within Lonrho, which was similar to many other acquisitions by Tiny Rowland, for example the Ashanti Goldfields Corporation in Ghana, which ran a mine in Obuasi.[42] Interestingly, it was when Holt was still part of Lonrho that the first steps towards becoming free-standing were taken. In the 1980s, on the suggestion of Rowland, Holt divested most of its non-

African ventures, selling its wine and spirits division, John Holt Vintners Ltd. in 1982.[43] Eventually the company focused exclusively on Nigeria, after disposing of its subsidiaries in Ghana in the early-1990s (where Holt was never as strongly represented as in Nigeria, ever since the company first entered the Gold Coast in 1930).[44] Hence Holt was already effectively free-standing, although within the larger group of Lonrho and later Lonrho Africa. In some ways this relationship is reminiscent of the business groups or networks that were commonly found in clusters of FSCs in the nineteenth and early-twentieth centuries.

This policy of 'down scoping', of divesting non-core enterprises, would eventually reach the parent company, Lonrho, after Rowland was ousted from management by Dieter Bock. The pressures of the British capital market, where large institutional shareholders pushed for high returns and preferred individual firms that focused on their core activities, explains why the trend to de-merge and down scope was more prevalent in the UK than in continental Europe.[45] Bock de-merged the multinational into Lonmin (Lonrho's mining activities) and Lonrho Africa (agriculture, trading companies, and hotels). Lonrho's progeny continued to spin apart after its founding father had gone, with Ashanti Goldfields in Ghana merging with AngloGold from South Africa in 2004.[46]

The interests of Holt's management and Lonrho Africa diverged, and when the company went through a time of poor commercial performance, three executives – Paul Newns (from England), now Chairman of John Holt & Co (Liverpool) Ltd., James McLardy (from Scotland), formerly the Managing Director of the Nigerian subsidiary, and Chief Christopher Ikechi Ezeh (from Nigeria), McLardy's successor in the 1990s, and, at the time of writing Chairman of John Holt PLC – undertook a management buy-out (MBO) in 2001. The company continues with a small head

office in Pall Mall, Liverpool, which sources the imports for Nigeria globally. In Nigeria, John Holt PLC is registered on the stock exchange and 47 per cent of shares are in the hands of a little less than 53,000 small local investors. The majority of these Nigerian shareholders hold less than 0.1 per cent of the equity.[47] The rest (53 per cent) is owned by the British company.

Current business can be roughly placed into two categories: motors and sales. The company imports, assembles or manufactures generators, power units, motorcycles, boats and outboard engines. Of these, generators and outboard engines from Yamaha are the main imported lines. Holt holds a franchise for FG Wilson (Engineering) Ltd. and Yamaha, amongst others. They are sold or leased out to other companies, especially in the oil industry, either directly or through their distribution network. Holt entered motor distribution and technical engineering in the 1950s. At the time, the most profitable activity is the sale, leasing and servicing of generators, which, in a country like Nigeria that suffers several power cuts daily even its largest city, Lagos, has a huge dependent market.[48]

The other branch of their business is based on cash-and-carry outlets and their nationwide distribution network in Nigeria. Most of the consumer goods are locally produced (about 90 per cent according to Paul Newns), mainly by multinationals in Nigeria such as Nestlé and Unilever, but also by some local firms, particularly in the beverage and food industry, as well as roofing supplies.[49] This side of Holt's activities in Nigeria shows surprising continuities with the company's original colonial retail trade.

The management buy-out from Lonrho Africa, after the de-merger from Lonrho, was part of a wider trend in the 1990s that witnessed large, conglomerate companies down scope. However, this trend also affected smaller firms like Holt,

which had been narrowing down its operations since the 1980s. Lonrho was always particularly strong in east and southern Africa, and Lonrho Africa operated with headquarters in Nairobi and Harare until 2001, when they were closed down in favour of a smaller Liverpool office. A subsidiary like Holt, which operated exclusively in Nigeria, was probably marginal to Lonrho Africa. Moreover, the company did not perform well after the spin-off, and in early 2001 it sold off many enterprises in order to reduce bank borrowings, which amounted to £26 million net. Under these circumstances, Holt's management chose to leave the group.[50]

While these factors explain Holt's decision to leave Lonrho Africa and focus on its Nigerian business, it does not provide a sufficient explanation why the company continued to conduct its business via a UK-based head office. In a corporate profile from 2005, the PLC highlighted that the relationship with its Liverpool-based parent company has been beneficial in attracting 'strong franchises and international brands'.[51] According to its Managing Director, Bill Laurie, retaining a UK-based head office while conducting business with only one country is commercially necessary. Nigeria has been recognised as a difficult place to do business and suffers from information asymmetries, poor infrastructures and the absence of institutions that promote trust and transparency.[52] In the most recent 'ease of doing business' survey by the World Bank, Nigeria came 108th out of 175 countries in 2006.[53] Much managerial time is necessary for negotiations and maintaining commercial relationships, and administrative procedures are often irregular and unreliable. These problems are common in less developed countries, especially in Africa, and the amount of time spent on negotiation as well as the local knowledge necessary make more focused operations preferable.

It is especially corruption, measured by so-called corruption perception indices, that has earned Nigeria a poor reputation, although there has been a slight improvement in recent years, according to Transparency International (see Table 2). However, the only countries that had a lower score than Nigeria in 2005 in the corruption index were those which had not been assessed in previous years. (The ratings in the index range from zero for the most corrupt to ten for the least venal). Corruption indices have their problems especially the tendency to mask the source of illicit money, which mainly comes from Europe and North America.[54]

Table 2 *Corruption Perception Index (CPI) by Transparency International*

Country	2005	2000	1999	1996	1988-1992	1980-1985
Bangladesh	1.7	n/a	n/a	n/a	n/a	n/a
Cameroon	2.2	2	1.5	2.46	3.43	4.59
Chad	1.7	n/a	n/a	n/a	n/a	n/a
Haiti	1.8	n/a	n/a	n/a	n/a	n/a
Myanmar	1.8	n/a	n/a	n/a	n/a	n/a
Nigeria	*1.9*	*1.2*	*1.6*	*0.69*	*0.63*	*0.99*
Turkmenistan	1.8	n/a	n/a	n/a	n/a	n/a

Source: Transparency International, Internet Centre for Corruption Research, see www.icgg.org/corruptioin.cpi_olderindices_overview.html [accessed 8 September 2006].

The function of the Liverpool company follows logically from the business conditions in Nigeria, which require close personal contact and tight controls, since financial fraud (via credit cards and e-mail scams) are prevalent.[55] The current set-up of nested companies, like the structure of John Holt, where the Liverpool company (owned by the three non-executive Directors) owns 53 per cent of the Nigerian

company, is relatively more expensive to maintain but 'there are very sound commercial reasons for it', according to Bill Laurie.[56] Nigeria's reputation is relatively poor internationally, and many of the companies that John Holt trades with, or holds franchises and trademarks from, are generally not prepared to negotiate with Nigerian firms. Hence the UK-based company functions as an intermediary, holding the Yamaha franchise, which it leases to its subsidiary, John Holt PLC. The Liverpool office functions as a buffer that absorbs the country-specific risk that many international companies are unwilling to take.[57] The risks for John Holt & Co (Liverpool) Ltd. are of course minimal, as the company deals with its own subsidiary, where they have close personal contact with the staff handling the business.

What remains an intriguing question is why did Holt decide to keep its head office in Liverpool? Most of the firm's competitors moved their headquarters to London. While Liverpool's decline as a port and commercial centre was apparent from the 1960s, Holt kept its head office in the city and even invested in a chain of off-licenses in the North West. The chairman commented on the situation, in 1962:

> Finally I should mention that in the last few months there has been a considerable mis-informed conjecture about the future prosperity of Merseyside, with which we are, of course, deeply concerned. Denigration of a city is, of course, cumulative and in the end leads to a lack of business confidence. I should therefore reveal that our own experience in Liverpool and the surrounding areas over the last four months shows that sales have in fact been in excess of those for the same period in the previous year, and indications are that in a full year they will no be less than those achieved in the previous year. Our confidence in the North West is such that active

> steps are being taken to increase our expansion in this area and very recently five new retail outlets have been opened.[58]

It is interesting that the 1960s have been described by Jon Murden as the height of Liverpool's post-war golden age, with unemployment at an all time low around the middle of the decade and the port enjoying record figures for cargo throughput in 1965.[59] While business in Liverpool continued to perform well, it was clear that its economic prospects were poor – a skills shortage coupled with long-term unemployment added to the structural problems of a port which contended with containerisation, air freight and the shift of trade to Europe.

While Holt's wine business did not show any adverse trends in the early-1960s, the sale of its shipping line minimised the impact of the decline of the port. Increasingly, goods were sourced from different international locations, and the wine and spirits venture was sold off. Liverpool became the organisational base for the head office. As such, the decline of prices (in properties, wages, services etc.) was actually advantageous conditions for Holt. While the draw of the City was highly influential in the decision of companies to relocate from Liverpool to London (see Rory Miller and Robert Greenhill's contribution on South America in this volume), Holt appeared to stay immune. Although the company went public in 1950, family members held the majority of the equity, reducing the need for outside finance. Hence Holt expanded through re-investment, as solid family holdings meant that the company could afford to pay low dividends for several years.[60] In the late-1960s, the company became vulnerable to external financial pressure, especially during the Nigerian civil war, when its share price fell and business was severely limited. After the takeover by Lonrho, any pressure on Holt to relocate subsided, as access to the

City was assured through the holding company. Even more importantly, the trade with Nigeria proved to be hugely profitable in the 1970s, but effectively hidden from public scrutiny within Lonrho.

Another factor, according to Paul Newns, was the availability of people with the right skills, which stems from Liverpool's historical role in the trade with Africa.[61] This does not just refer to the company itself, but also to the service industry, especially finance and export agencies. Due to Liverpool's long-standing involvement in international trade, financial institutions in the city offer important services such as confirmed letters of credit that are essential for dealing with less developed and inherently financially more risky countries.[62] Because of the absence of competing economic demands, the city remained as a hub for trade with the countries that emerged from the British empire. Holt's logo also points towards the importance of tradition, even though it is no longer family owned. Liverpool's advantage appears to be rooted in its long-term historical legacy of trading with the west coast of Africa and its relatively cheap labour and property costs, which make it a competitive location for a smaller firm.

Nationality, reputation, and the contemporary free-standing company

As a result of the management buy-out (MBO), Holt has become a FSC. Holt retained its Liverpool head office, with about a dozen staff, and the UK company owns more than half the equity of the Nigerian subsidiary, which effectively conducts all operations. This is considered an unusual organisational form for multinational business in the early-twenty first century, but was indeed quite common in the late-nineteenth and early-twentieth centuries.

There has been an ongoing debate about the factors that favoured the emergence of large numbers of this type of company in the high imperial age. There is a wide agreement among scholars that this form was not viable long-term, and that the conditions which favoured FSCs changed in the middle of the twentieth century. Wilkins, for example, admits that a few random survivors exist nowadays, but considers them insignificant on a global scale.[63] Nevertheless, Geoffrey Jones has pointed to the recent recovery of Standard Chartered Bank, which failed to enter its 'home' UK market and eventually returned successfully to its old form of operation as an essentially overseas bank.[64] The Standard group is one of the largest companies in Africa, especially as its subsidiaries were ranked separately in a recent publication.[65] However, its head office in London fulfils a wide range of central and financial functions, which are integral to its operations. Hence it is questionable whether it should really be counted as an FSC.

Holt is an even more interesting case than Standard Chartered, because trading companies are not always classified as FSCs, although they might be organised along FSC lines. Wilkins excluded firms that trade with the home economy, because their logic of operation remains bound to the home economy.[66] However, this depends on whether one considers the development of a FSC as the key feature of the definition, or its organisational structure. Is it more important that this type of company did not export its competitive advantage, or that it is a firm that conducts business exclusively abroad with a small head office? Even though a trading company is logically a firm that developed out of the needs of its home economy, it remains a fairly uneasy case. Whether Holt was freestanding at the beginning of its corporate history or not is, however, not the key concern here. More importantly, Holt is currently freestanding,

because all its trade is in Nigeria, and the goods traded are sourced locally or internationally, but not specifically from the UK.

From 2001 John Holt was clearly free-standing: all its business operations were in one country, Nigeria, whereas its overall head office and parent company was located in another. The Liverpool headquarters employed only a dozen people, whereas the PLC in Nigeria employed about 900. As a case study of a contemporary FSC, John Holt does not easily fit the features identified as typical for these companies in the late-nineteenth and early-twentieth centuries. Old-style FSCs would have been incorporated only in the UK, but under current legislation this would no longer be possible. Nevertheless, the Liverpool company is more than just a holding company, though it no longer coordinates any business in Britain. As Holt faced new conditions in the early twenty-first century, it is not surprising that the logic behind its move to assume the form of a FSC was also different from that of nineteenth-century or early-twentieth-century companies.

However, John Holt PLC is not wholly owned by the UK company, which sets the firm apart from old-style FSCs. This is a response to economic nationalism in Nigeria. Far from being instrumental in the demise of the FSC, as Wilkins suggested, certain forms of economic nationalism, such as the less radical local content requirements, can co-exist with FSCs.[67] Nationalist legislation can vary in its intensity, and does not necessarily end in full expropriation of foreign owners. In the 1970s, Nigeria decreed local participation ratios, which required Holt to reorganise its business, incorporate locally (in 1969) and sell at first 40 per cent of its equity in 1974, and then 60 per cent three years later. The company was free to sell in any form and to any buyer without government interference (although in 1977 individuals were not permitted to purchase more than 5 per cent of the equity of any one company).[68]

In 1974, Holt had two options: either 'go friendly', or go public. Its executive, Tom Prentice, opted to go public and to spread its shareholding widely, which ensured continuity and control by Lonrho. Other companies went 'friendly' (also denounced locally as 'fronting'), a decision which many regretted if relations soured with their indigenous partners and lost control over their investment.[69]

Holt's customers in Nigeria, for example Shell and other petroleum companies leasing boats or buying electricity generators, have to fulfil local content requirements. They can point to John Holt PLC's 53,000 Nigerian shareholders, which represent almost half the equity of the firm.[70] At the same time, international trading partners and licensees like Yamaha deal with the UK company, eliminating the Nigerian country risk (see above).

Whether it is Holt's association with Britain, which in the twenty-first century has recovered its commercial reputation after the long era of post-war 'decline', or Nigeria, which has become a byword internationally for irregular trading practices and corruption, that is the key factor determining this corporate set-up is unclear. What this case study shows, nevertheless, is that corporate nationality has been used by John Holt as an asset to create economies of reputation. The corporate structure internalises the advantages of national reputation: English internationally, Nigerian in the country of operation; hence, the firm's logo identifying itself strongly with historical symbols from both Liverpool's maritime past and Nigerian monetary history (cf. Figure 9.1).

For Holt, the advantages of becoming free- standing differ from claims made in the literature on earlier examples. Instead of showing weaker control structures than classical multinational companies, the set-up allows for closer *personal* control in a highly insecure environment. This has similarly been argued by Rory Miller for

British business in Latin America in the nineteenth century.[71] Typical multinational advantages like knowledge transfer are less relevant for business in Nigeria, as a highly specific local knowledge and personal networks are more important to business success. Thus the Liverpool head office ensures close personal control over the Nigerian subsidiary, while also serving as an intermediary that minimises risk to suppliers. Equally importantly, it permits ambiguity surrounding the nationality question.

Holt's corporate history also confounds another expectation of scholars of the free-standing company. Wilkins assumed that firms will be free-standing in the first stages of their corporate life, and subsequent development would follow any of these routes: some survived as free-standing, many went out of business, and others became fully-fledged multinationals.[72] Holt actually went from colonial merchant to multinational and then became a FSC, quite in contrast to the development suggested by Wilkins.

While Holt is only one case, and has yet to prove great longevity in its current free-standing form, it is important to note that the conditions that gave rise to its corporate organisation still exist all over Africa, and in many parts of the developing world. The trend to down scope also leads to more specialised companies, which could mean a new rise in the number of FSCs. Apart from Standard Chartered, which is free standing, with subsidiaries in Africa (and thus regionally diversified to some extent), there is also Lonrho Africa PLC, which now operates hotels and agribusiness, and was headquartered for a short period of time in Liverpool before moving back to London. Most of the old trading companies of West Africa still exist: PZCussons (formerly Paterson Zochonis, headquartered in Manchester), Leventis, Chellarams, SCOA (Société Générale de l'Ouest d'Afrique) and CFAO (Compagnie Française

d'Afrique Occidentale), and it is hence not inconceivable that at least some of them operate as FSCs. Unfortunately information is scarce on these survivors of the imperial trade with West Africa.

Some scholars, especially Marc Casson but also Ben Gales and Keetie Sluyterman, have pointed out that FSCs were typical of imperialism and relied on the political structure of this particular international system.[73] Others, like Harm Schroeter and Wilkins, consider them not necessarily an imperial feature, but as particularly well adapted to the less developed countries, where they survived for longer.[74] This suggests that further research into how business deals with the specific problems of emerging markets and developing economies is necessary, and that the free-standing form might have more timeless advantages than has been realised. Although these companies have been associated with the imperial system, this might just have been a reflection of the political status quo. Their re-emergence at the end of the twentieth century, provided Holt is not an exception, means that a global economy that allows finance, trade and other services to move relatively freely between countries, coupled with vast disparities between the wealth of trading partners and their relative administrative sophistication, are essential features that give rise to free-standing companies. Wilkins suggested that the 'free-standing-company form of business was used when it supplied a need.'[75] Clearly, FSCs like Holt now serve different needs than its forbearers, and thus follow a different logic. Some parameters, however, should be reasonably similar.

Is Jones correct in suggesting that some features of the international environment have returned to the conditions of 1914, thus making the FSC a viable organisational form again?[76] However, Jones has also highlighted some of the key differences between 1914 and 2000, for example the dominance of large institutional

shareholders like pension funds, which often press companies to decide in favour of short-term profitability. As a matter of fact, neither Holt nor Lonrho Africa have proved very profitable in recent years. Nevertheless, down scoping is one outcome of this financial environment, as investors prefer focused operations with high returns.

In 1914 the stock exchange mainly served the interests of private, individual investors. What is similar, though, is that the City of London has recovered its position as one of the most important financial centres in the world. It could be argued that it again provides the finance for emerging markets. However, whether this is relevant to the case of Holt is doubtful, because if this was one of the key reasons for the company to become free-standing, it would be more likely that it was headquartered in London.

While it is tempting to argue that the existence of FSCs can be explained by a neo-imperial, globalised world economy, it is more likely that the huge disparities in wealth and economic development are in themselves the cause. Regional specialist firms act as go-betweens for international investors, as they understand the countries and have the all-important local contacts. For most major multinationals, the African markets are simply too small to make the forward investment in marketing and distribution, let alone production. This means that specialist companies with a long tradition of conducting business in Africa, together with the increasingly important South African companies, dominate the business environment in Africa.[77]

Conclusion

This chapter has sketched the corporate history of the Liverpool-based West Africa merchant John Holt & Co from the 1940s onwards. In the second half of the twentieth

century, the company underwent a number of organisational changes, which transformed the nature of its business. Surprisingly, however, the firm returned to its original focus on operations in Nigeria after having expanded within and outside Africa from the 1930s onwards. While its main British competitor, the much larger UAC, was absorbed by its parent Unilever in the 1980s, Holt stayed independent within the conglomerate of Lonrho, but was encouraged to shed all other investments outside Nigeria. Eventually, Holt left its parent in 2001 in a MBO.

This chapter has brought together for the first time the existing information on Holt's history after 1945, but also questions the prevailing wisdom that FSCs are an obsolete organisational form. Holt's case shows that its Liverpool head office fulfilled a number of highly important functions such as mediating between the international economy, for example by holding franchises, and insuring against country-specific risk, by allowing close control of the link between its Nigerian subsidiary and international partners. There is also a possibility that more FSCs have emerged as a result of a wave of de-mergers and corporate down scoping in the 1990s. Many firms now dealing with less-developed countries are smaller and more specific than the large conglomerate trading companies of the preceding decades. The advantage of local knowledge, contacts, a good distribution network, and, especially, the ability to be ambiguous about corporate nationality still enable Holt to be competitive in the modern economy in a way that the authors of the FSC concept did not envisage. In a global economy that has increasingly sidelined the African continent where business practices are divergent from international norms, Holt's case indicates how a Liverpool-headquartered business continues to bridge the gap between international and local business cultures.

Notes

I am indebted to Alan Davies and Peter Davies (not related to my knowledge), for putting me in touch with Bill Laurie and Paul Newns of John Holt PLC and John Holt & Co (Liverpool) respectively. I would also like to thank Alan for putting me up in his house in Lagos. Research for this article was made possible by an ESRC postdoctoral fellowship at the London School of Economics. Earlier research was conducted during my PhD, which was funded by the AHRC and the Research Development Fund of the University of Liverpool.

---

[1] A. Macmillan (ed.), *The Red Book of West Africa* (London: Frank Cass, 1920), pp. 63-118.

[2] Guildhall Library, London, Bank of British West Africa files, Ms. 28816/2, Charles McMullin to J. R. Wilkinson, 26 October 1937.

[3] P. N. Davies (ed.), *The diary of John Holt*, Research in Maritime History 5 (St. John's Newfoundland: International Maritime Economic History Association, 1993).

[4] S. E. Stockwell, *The Business of Decolonization: British Business Strategies in the Gold Coast* (Oxford: Clarendon, 2000), p. 115.

[5] http://www.jhplc.com/index/main_body_mission.php [accessed 18 April 2006].

[6] Many thanks to Sari Maenpaa for bringing this to my attention. E-Mail from Sari Maenpaa, 1 September 2006, formerly research officer on the Liverpool Mercantile Elites project, School of History, The University of Liverpool, now a curator in Finland's Maritime Museum.

[7] See, for example, P. Louden-Brown, *The White Star Line: An Illustrated History, 1870-1934* (Coltishall: Ship Pictorial Publications, 1991), p. 126. The White Star is supposed to derive from a Seneca Amerindian chief who scouted for the British during the American War of Independence. However, it appears that the White Star

was merely a convenient symbol along the lines of the Black Ball or the Red Cross, which were also commonly used by shipping lines. W. J. Oldham, *The Ismay Line: The White Star Line, and the Ismay Family Story* (Liverpool and London: Charles Birchall & Sons, 1961), p. 28; R. Anderson, *White Star* (Prescott: T. Stephenson & Sons, 1964), pp. 2, 14.

[8] There has been only one corporate history of Holt, which is dated and not widely available: C. J. Gertzel, 'John Holt: A British Merchant in West Africa in the Era of Imperialism'(DPhil dissertation, University of Oxford, 1959). Some work has also been done by P. N. Davies (ed.), *Trading in West Africa* (London: Croom Helm, 1976) and *The diary of John Holt*; G. Jones, *Merchants to Multinationals: British Trading Companies in the Nineteenth and Twentieth Centuries*, (Oxford: Oxford University Press, 2000); Stockwell, *The Business of Decolonization*; R. Glover, 'James Deemin and the Organisation of West African trade, 1880-1913' (MA dissertation, University of Liverpool, 1978).

[9] Mira Wilkins developed the concept in 'The Free-Standing Company, 1870-1914: An Important Type of British Foreign Direct Investment', *Economic History Review,* 41:2 (1988), 259-82.

[10] A. D. Chandler, 'The Emergence of Managerial Capitalism', *Business History Review* 58:4 (1984), 475, 495-8.

[11] Jones, *Merchants to Multinationals*, pp. 116-57.

[12] M. Wilkins, 'The Free-Standing Company Revisited', in M. Wilkins and H. Schröter (eds) *The Free-Standing Company in the World Economy, 1830-1996* (Oxford: Oxford University Press, 1998), pp. 30, 44.

[13] Jones, *Merchants to Multinationals*, p. 118, Table 5.1.

[14] Davies (ed.), *The diary of John Holt.*

[15] On the development of the West African trade, see A. G. Hopkins, *An Economic History of West Africa* (Harlow: Longmans, 1973); and P. T. Bauer, *West African Trade: A Study of Competition, Oligopoly and Monopoly in a Changing Economy* (Cambridge: Cambridge University Press, 1954); R. L. Tignor, *Capitalism and Nationalism at the End of Empire: State and Business in Decolonizing Egypt, Nigeria, and Kenya, 1945-1963* (Princeton, NJ: Princeton University Press, 1998), p. 205. For an example of the interaction between politics and commerce see F. J. Pedler, *The Lion and the Unicorn in Africa: a History of the Origins of the United Africa Company, 1787-1931* (London: Heinemann Educational, 1974).

[16] Jones, *Merchants to Multinationals*, p. 118.

[17] United Africa Company, 'Redeployment', *Statistical and Economic Review*, 28 (London: UAC, 1963), pp. 1-38; P. Kilby, *Industrialisation in an Open Economy: Nigeria 1945-66* (Cambridge: Cambridge University Press, 1969), pp. 53-80; A. G. Hopkins, *An Economic History of West Africa* (Harlow: Longmans, 1973), pp. 276-9; Stockwell, *The Business of Decolonization*, pp. 152-7; D. K. Fieldhouse, *Merchant Capital and Economic Decolonisation: The United Africa Company 1929-1987* (Oxford: Clarendon, 1994), pp. 679-715.

[18] First evidence of this is in A Watson, *Report of the Commission of Enquiry into the Disturbances in the Gold Coast* (London: HMSO, 1948), para 241.

[19] J.-G. Deutsch, *Educating the middlemen: A political and economic history of statutory cocoa marketing in Nigeria, 1936-47* (Berlin: Das Arabische Buch, 1995), pp. 21-36.

[20] Tignor, *Capitalism and Nationalism*, pp. 212-6.

[21] A. Harneit-Sievers, 'African Business, "Economic Nationalism", and British Colonial Policy: Southern Nigeria, 1935-1954', *African Economic History*, 24 (1996), 25-68; Stockwell, *The Business of Decolonization*, pp. 156-7.

[22] Bauer, *West African Trade*, p. 99; and Tignor, *Capitalism and Nationalism*, pp. 199-200.

[23] See endnote 2.

[24] Jones, *Merchants to Multinationals*, p. 139. Stockwell, *The Business of Decolonization*, p. 155; see also B. Beckman, *Organising the Farmers: Cocoa Politics and National Development in Ghana* (Uppsala: Scandinavian Institute of African Studies, 1976), pp. 77-85.

[25] 66th Annual Report & Statement of Accounts, 31 August 1962, Chairman's Statement, [hereafter Chairman's Statement 1962], p. 6.

[26] Chairman's Statement 1962, p. 6.

[27] J. Murden, '"City of Change and Challenge": Liverpool Since 1945', in J. Belchem (ed.), *Liverpool 800: Culture, Character and History* (Liverpool: Liverpool University Press, 2006), pp. 429-30, 436

[28] Jones, *Merchants to Multinationals*, p. 141.

[29] D. Rimmer, *Staying poor: Ghana's political Economy, 1950-1990* (Oxford: Pergamon, 1992), pp. 72-3, 75.

[30] Jones, *Merchants to Multinationals*, p. 205. As an Overseas Trade Corporation, Holt was eligible for tax breaks, see 63rd Annual Reports & Statement of Accounts, Chairman's Statement, 3 April 1959, p. 4. Holt published a diagram of its organisation in the 65th Annual Reports & Statement of Accounts, 31 August 1961.

[31] Jones, *Merchants to Multinationals*, pp. 145, 298. A detailed overview of Holt's industrial investments up to 1963 is Kilby, *Industrialisation in an Open Economy,* p. 71.

[32] Chandler, 'The Emergence of Managerial Capitalism', pp. 475, 495-8.

[33] 64th Annual Report & Statement of Accounts, 4 March 1960, Chairman's Statement, p. 4.

[34] Jones, *Merchants to Multinationals*, pp. 98, 138, 153. Kilby, *Industrialisation in an Open Economy,* p. 70.

[35] Jones, *Merchants to Multinationals*, p. 150; Interview with Paul Newns, chairman of John Holt & Co (Liverpool) Ltd., 7 April 2006 [hereafter Interview Paul Newns].

[36] Jones, *Merchants to Multinationals*, p. 146.

[37] P. Nugent, *Africa since Independence: A Comparative History* (Basingstoke: Palgrave Macmillan, 2004), pp. 210-24.

[38] Jones, *Merchants to Multinationals*, p. 122; Interview Paul Newns.

[39] R. Hall, *My life with Tiny* (London and Boston: Faber and Faber, 1987), pp. 70-1.

[40] Interview Paul Newns; Fieldhouse, *Merchant Capital*, pp. 620, 718, 721, 762, 774; G. Jones, *Renewing Unilever* (Oxford: Oxford University Press, 2005), pp. 57, 79, 197

[41] Jones, *Merchants to Multinationals*, pp. 118, 122-3, 130-1; J. F. Wilson, *British business history, 1720-1994* (Manchester: Manchester University Press, 1995), pp. 194-204.

[42] Jones, *Merchants to Multinationals*, p. 128. On the Ashanti Goldfields Corporation see A. Afrifa-Taylor, 'An economic history of the Ashanti Goldfields Corporation, 1895-2004' (PhD dissertation, London School of Economics, 2006).

[43] Lonrho, *Annual reports and accounts* (1981), p. 16; and Lonrho, *Annual reports and accounts* (1982).

[44] Interview Paul Newns.

[45] Jones, *Merchants to Multinationals*, pp. 338-9; A. Pettigrew, 'Organising to improve company performance', *Hot Topics (Warwick Business School)* 1:5 (1999), 3; G. Owen, *From Empire to Europe: The Decline and Revival of British Industry since the Second World War* (London: HarperCollins, 2000), pp. 79-80.

[46] Jones, *Merchants to Multinationals*, pp. 326, 337-8, 340; 'Rowland Walter (Tiny) Rowland, Capitalism's Outsider, Died on July 24th, Aged 80', *The Economist* (30 July 1998); 'Big-Game Hunting: Who Will Bag Ashanti?', *The Economist* (14 August 2003); 'Mr Jonah Goes to Jo'burg: A Giant Digs Deeper for African Gold', *The Economist* (15 January 2004). See also Ayowa Afrifa-Taylor's recent biography of

Sam Jonah, the CEO of Ashanti Goldfields: A.A. Taylor, *Sam Jonah and the Remaking of Ashanti* (Johannesburg: PanMacmillan, 2006).

[47] Interview Paul Newns.

[48] *Ibid*.; D. Evans, 'What took you so long?', *Guardian Review* (2 September 2006), p. 2.

[49] Interview Paul Newns.

[50] Ross Davies, 'Battered Lonrho Africa to switch listing to AIM', *Evening Standard* (London) (25 January 2001), p. 42; interview Paul Newns.

[51] John Holt PLC, Annual Reports & Accounts, 2005, inside of title cover.

[52] M. Agboli and C. C. Ukaegbu, 'Business Environment in Nigeria', *Journal of Modern African Studies*, 44:1 (2006), 1-30.

[53] Doing Business, 'Economy Rankings', see www.doingbusiness.org/EconomyRankings/ [accessed 8 September 2006]. The Doing Business group is owned by the World Bank group and releases its collected data in the form of the 'Doing Business' report annually.

[54] Originally collected by Gallup, Transparency International has published the 1999 Bribe Payers Survey on its website: http://ww1.transparency.org/cpi/1999/bps.html [accessed 17 November 2006].

[55] The only recent travel guide to Nigeria warns travellers of the risk of financial fraud, see L. Williams, *Nigeria: The Bradt travel guide* (Chalfont St. Peters: Bradt Travel Guides, 2005), pp. 108-10. Banks in Nigeria only authorise payments after personal telephone confirmation, and Nigerian telecom close down the international calling option after 5pm on working days to limit the opportunity for fraud. Conversation with Alan Davies, 1 August, 2006, expatriate living in Lagos.

[56] Interview with Bill Laurie, Managing Director John Holt PLC, Oregun, Lagos, 3 August 2006 [hereafter Interview Bill Laurie].

[57] This is far from unusual. In the summer of 2006, anyone trying to purchase a flight with British Airways to West Africa on a credit card had to do so in person with documents confirming one's identity.

[58] Chairman's Statement 1962, p. 7.

[59] Murden, 'City of Change and Challenge', pp. 404, 409, 428.

[60] John Holt & Co (Liverpool) Ltd., 63rd Annual Reports & Statement of Accounts, Chairman's Statement, 30 September 1950, p. 14.

[61] Interview Paul Newns.

[62] I would like to thank Chris Kobrak for his comments on international finance.

[63] Wilkins, 'The Free-Standing Company Revisited', 44.

[64] G. Jones, 'British Overseas Banks as Free-Standing Companies, 1830-1996', in Wilkins and Schröter (eds), *The Free-Standing Company*, pp. 355, 357-8.

[65] 'Africa's 1,000 top companies', *African Business*, 319 (April 2006), 32-41 [hereafter 'Africa's 1,000 top companies']. Standard Bank (South Africa) was the sixth largest company, and other subsidiaries made it to 133rd (Kenya), 152nd (Botswana) and 233rd (Ghana). Lonrho Africa PLC (Nigeria) was ranked 123rd, Holt (Nigeria) came 894th.

[66] Wilkins, 'The Free-Standing Company Revisited', p. 19.

[67] Wilkins, 'The Free-Standing Company Revisited', pp. 23, 30, 34; Wilkins, 'The Significance of the Concept and a Future Agenda', in Wilkins and Schröter (eds), *The Free-Standing Company*, p. 421.

[68] T. Biersteker, *Multinationals, the state, and control of the Nigerian economy* (Princeton, NJ: Princeton University Press, 1987), pp. 159-98.

[69] Interview Paul Newns. For a detailed study of multinationals in Nigeria in the 1970s, see Biersteker, *Multinationals, the state, and control of the Nigerian economy*.

[70] Interview Bill Laurie.

[71] R. Miller, 'British Free-Standing companies on the West Coast of South America', in Wilkins and Schröter (eds), *The Free-Standing Company*, p. 242.

[72] Wilkins, 'The Free-Standing Company Revisited', p. 26.

[73] M. Casson, 'An Economic Theory of the Free-Standing Company', in Wilkins and Schröter (eds), *The Free-Standing Company*, pp. 99-100, 112; B. P. A. Gales and K. Sluyterman, 'Dutch Free-Standing Companies, 1870-1940', in Wilkins and Schröter (eds), *The Free-Standing Company*, pp. 296-8, 317-8.

[74] Wilkins, 'The Free-Standing Company Revisited', pp. 23, 28-9; H. Schröter, 'Continental European Free-Standing Companies: The Case of Belgium, Germany, and Switzerland', in Wilkins and Schröter (eds), *The Free-Standing Company*, pp. 326-7.

[75] Wilkins, 'The Free-Standing Company Revisited', p. 42.

[76] Jones, *Merchants to Multinationals*, p. 338.

[77] The top ten companies in Africa are South African. 'Africa's 1,000 top companies'.