

Intrigue, speculation over Wiggill murder

One wonders if Eskom's chief executive Brian Dames dropped his coffee when he read about the mysterious death of First Tech chairman Jeff Wiggill a few weeks ago.



It's a rip-roaring tale of corporate intrigue. It has everything: a suspicious murder; banks apparently failing to do proper due diligence before buying First Tech's R925m corporate bond; an honourable 20-year-old engineering company that fell on hard times; and just a hint of extensive fraud at the country's biggest capital projects in history - Eskom's controversy-riddled Medupi and under-the-radar Kusile power stations.

To give it a sense of zeitgeist, you've even got the trade unions complaining about the company's 3,400 employees now on the rack after the company was placed in "business rescue" - effectively, liquidation.

Wiggill was an intriguing character. After working for Anglo American from 1985 for five years, he started Crawford College, a high-end group of schools for the smart and elite. Wiggill boasted that he "launched and marketed the school, employed the teachers and [interviewed] the initial group of children". A year later, Wiggill started First Tech.

Unravelling a mystery

It has taken a few weeks for the jigsaw puzzle to fall into place, but you can't help but shake the feeling that Wiggill's murder in Protea Glen, Soweto, on 19 June could be the first domino that falls and exposes dirty dealings worth millions at Medupi.

First Tech owned Cosira, a company it only bought in December last year but which was a subcontractor to Eskom's two main projects up near Lephalale.

Cosira was part of the joint venture with French engineering firm Alstom to build a steel turbine hall for Kusile, and supply steel for Medupi.

Alstom might not be Hitachi, which at least has the promise of political protection through the ANC's front company Chancellor House, but it continues to walk onto site every day despite the fact that it has had numerous problems delivering on its targets.

There is an awful smell emanating from the contracts at Medupi and Kusile. Just this week, parliament heard how some contractors submitted forged documents to get the welding work for the boilers - and then there's the rather more run-of-the-mill over-billing and phantom employees that taxpayers appear to be paying for at the two sites.

Who will lose?

It's not clear at this stage who will lose out should it emerge that First Tech's financials were compiled with one eye closed and fingers crossed - but you can bet it won't be the banks.

Investec is, of course, in the mix to the tune of R240m but it is not about to lose out because it has security for that debt. But then, it rarely does lose out.

The banking sector has been abuzz for weeks with tales of immense fraud at First Tech, so you can imagine the bankers have been scrambling to cover themselves. While the tales of fraud might just be water-cooler talk, chief executive Andy Bertulis signed a statement early this month saying he's spent the past few weeks unravelling "a number of complex and intricate financial transactions". It sounds like a chilling echo of Brett Kebble if ever there was one.

Kebble, the theory goes, was gunned down in an "assisted suicide", which he planned alongside thugs like Glenn Agliotti. For anyone who knew Kebble, it always seemed implausible - but at least a "murder" would have allowed his family to score two massive insurance policies from Liberty Life and Discovery.

Talk that Wiggill may have tried to arrange his own "assisted suicide" seems unlikely. Wiggill's alleged killer, Thulani Cele, told the court he was going to get R100,000 for the "hit" - cash you'd probably insist on upfront if the man you have to kill is the man hiring and paying you. Especially when there were a lot of other people who would have an interest in silencing the man who knew how First Tech spent its loot.

Source: Business Times via I-Net Bridge

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