

Buying a perfumery

Cold Steel is the new book Lakshmi Mittal is carrying around the office under his arm.

Authors Tim Bouquet and Byron Ousey have interviewed about 65 people involved in the 2006 Arcelor-Mittal takeover battle to create an entertaining addition to that little-exploited genre, the business thriller. Bouquet, a former star reporter at the *Reader's Digest*, said the idea to write the book as a thriller only occurred to the authors once they started work on it. But Lakshmi Mittal's life – not exactly rags-to-riches, but not a billion miles away – and the takeover battle itself contained sufficient James-Bond type elements to suggest a thriller.

This book contains tales of industrial espionage and spookily dangerous helicopter flights, and features characters whose lives are as bizarre as they are intense. The merchant bankers that advised the two sides are portrayed in particularly colourful terms.

Mittal Steel bid for Arcelor at the end of January 2006, ending a period of cat-and-mouse between the two as the Mittals – father Lakshmi and son Aditya – tried to pin down Arcelor ceo Guy Dollé to a meeting the latter wanted to avoid. *Cold Steel* describes in detail Arcelor's attempts to acquire Canada's Dofasco in an effort to put itself beyond the Mittals' reach.

Those efforts failed, as did the subsequent increasingly panicky attempts to scupper the bid once launched. Bouquet believes Arcelor's legal representatives performed a little better than Mittal's, exploiting the multiple approvals the deal required to delay the bid and force the Mittals' price higher. But they think the Mittals' banking and communications advisers won their individual battles.

The book contains some genuine scoops. It is shocking to learn that Dollé – whom the authors interviewed four times – had been wrongly advised that any hostile bid for Arcelor would have to be all in cash. This colossal

blunder left Arcelor on the back foot from the start.

The other major scoop is the news that Arcelor held serious merger talks with ThyssenKrupp – a defence that all observers had rejected on competition grounds. The authors admit that the two companies that did not co-operate with the book were ThyssenKrupp and the battle's most prominent white knight, Severstal. Neither managements get sympathetic treatment.

Several former Arcelor officers also come in for criticism. Bouquet says Dollé is quite candid that some of his remarks in the early days after the launch of the bid – referring to Mittal stock as "monkey money", for example – were unhelpful.

But in one of the book's best jokes, there is very nearly an admission that Dollé was spot on in suggesting that comparing Arcelor and Mittal products was like comparing perfume and eau de Cologne.

One of the book's most likeable characters is straight-talking, chain-smoking merchant banker, Jeremy Fletcher, now with Evraz. Fletcher met Aditya on the way into the Mittals' Berkeley Square HQ one morning, and the following conversation is recorded:

"You know, Jeremy, Arcelor is a fantastic company," Aditya enthused.

"It is an excellent company," agreed Fletcher. "In fact...it's possibly a much better company than your company."

"That's true," Aditya laughed back.

Cold Steel: Britain's Richest Man and the Multi-Billion-Dollar Battle for a Global Empire, by Tim Bouquet & Byron Ousey, to be published by Little, Brown in the UK, price £20.

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