

The magic dragon



ENTREPRENEUR JAMES CAAN COMES ACROSS ON DRAGONS' DEN ON TV AS THE NICE GUY. AND HIS BUSINESS PHILOSOPHY PUTS PEOPLE FIRST, AS HE EXPLAINS TO SELMA DAY

“My philosophy in life has been to observe the masses and do the opposite,” says smooth-talking entrepreneur James Caan. “I’ve always been very conscious of being an individual – it’s about creating yourself into something that you can be happy with.”

James, 47, has every reason to be happy – he runs Hamilton Bradshaw, a thriving private equity firm based in Hanover Square (and with operations in some 30 countries) that invests millions in both start-ups and mature businesses in sectors ranging from retail and leisure to financial services and technology.

James, who was born in Lahore, Pakistan, and came to England when he was just two years old, has been buying and selling businesses since 1985, when he founded the Alexander Mann Group, a headhunting firm that first operated in a room the size of a broom cupboard in Pall Mall.

“At the time, it was essential to have a Mayfair address,” says James. “The headhunting world was very elite and cliquy, so for a new entrant who nobody had heard of – and probably the first Asian – I thought image, branding and location was really important.”

James’s plan was to make enough money to sustain the business and support his wife and children. He’d already turned down the opportunity to enter the family business, which didn’t go down too well with his father. “He threw the toys out of the pram – because the Asian mentality is that the sons will enter the business. It’s almost written in the mandate.”

Little did he – or his dad – know then that Alexander Mann would go on to become one of the UK’s leading recruitment companies with operations in 50 countries and a turnover of £300 million.

“I remember when we opened our 100th office, my father thought – maybe he has got it right, and maybe he does know what he’s doing.”

In 2002, James sold Alexander Mann and took a gap year. “I basically threw in the towel and decided to go and play. I learnt to fly a plane, raced cars, bought a yacht and took up sailing. It gave me the opportunity to see the other side of the fence.”

Eighteen months later, he was back in business. “I’m probably going to work until I drop dead,” he says. “Yes, you can do all those wonderful things but you can’t do them every day. I think you need to keep your mind active and focused and for me business gives me that thrill. I’m a deal junkie. I’m an addict. I can imagine myself at 80 still sitting there trying to do deals.”

In 2003, James, who graduated from Harvard Business School during his “gap year”, was named PricewaterhouseCoopers’ Entrepreneur of the Year. He co-founded executive headhunting firm Human International with partner Doug Bougie, growing the business to more than 147 offices across 30 countries, before setting up Hamilton Bradshaw in 2004.

But it hasn’t always been smooth sailing for James. For instance, there was the failure of sandwich chain Benjy’s. “The biggest lesson I’ve learned as a businessman is, when something isn’t working, knowing when to quit,” he says. “The key advice must be, if it’s not going to happen, cut your losses.”

With around half of his investments in the property sector, is he worried by the current uncertainty in the market? “Am I panicking? No, I am still investing in property,” he says.

“If you have been in business as long as I have, you know that business goes in cycles. No economy ever goes one way – history proves that. You have good periods and bad periods, and you make different decisions in different markets – just be cautious.”

In fact, James recently bought a property – a listed building in Cavendish Square, which will be Hamilton Bradshaw’s new home.

“Interestingly, I thought, should I wait a year? But what are the chances of getting a good deal in Mayfair? In real estate, property and location will always do well. I think locations like this are fairly solid.”



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JAMES CAAN (SECOND FROM LEFT) WITH FELLOW DRAGONS DUNCAN BANNATYNE (LEFT), DEBORAH MEADEN, PETER JONES AND THEO PAPHITIS

With a 20-year track record of investing in both people and businesses, it’s no wonder that James was asked to join the panel of BBC Two’s *Dragons’ Den* last year. The programme sees budding entrepreneurs pitch their ideas to the “dragons”, all of whom are prepared to invest their hard-earned cash – so not much different to what James does in real life, then. In both, he makes a point of investing in people. “I’m a great believer that it is people who create success in business through their passion and conviction,” he says.

“For me, the idea itself is only five or ten per cent of success. I get sent something like 200,000 ideas a month and they all think because they’ve got this great idea they are going to be millionaires the next day. I constantly remind people that it’s not the idea – it’s about you, your passion, your drive, your belief, your morals and your philosophy. Business isn’t just somebody’s God-given right that you have an idea and it will work.

“You meet some of the most successful people in the world who have had the most simple and basic idea – it’s what they do with it. So I tend to focus on the person and say, do I like that person? Could I work with that person? What makes that person tick? Because you can always modify the product but you can’t change the person.”

On *Dragons’ Den*, James comes across as the nice one but says he is no pushover. One of the lessons he learned from his dad was to be tough but fair in business.

“My father had a view that in business you should adopt a ‘win-win’ formula where it’s not about you winning and somebody losing, but that you can create an environment where both people win. He believed that business should be about the long term, not the short term. I think my philosophy in business is about being reasonable. And I think that’s what makes me more approachable – it’s not because I’m a walkover,” he says.

Married, with two daughters, James, 47, has the lifestyle that comes with success – the flash car, the designer suits, the yachts and a lavish villa in the south of France as well as homes in London and Pakistan.

But, as with many entrepreneurs, it’s not just about the money. “Giving someone the opportunity to create something exciting is the biggest thrill you can have as an investor. Imagine – if you take somebody who has got nothing and you invest in them – give them the plan, the journey, the execution.” One of James’s more successful investments on *Dragons’ Den* was a guy called Labon Roomes who started his gold-plating business from a shed in Enfield and four weeks later had an exclusive deal with Harrods. Then there was Peter Moule, who went on to win a £25 million contract for his Chocbox invention.

“That’s a tremendous buzz,” says James, who believes the programme touches the nerves of a lot of people. “It shows that anything is possible,” he says. “People want to believe that you don’t just have to be a Duncan Bannatyne or a Peter Jones – that you can be a guy in a kitchen making a sauce, then, hey presto, it can be in every Sainsbury’s store in the country. And I think people love that concept of hope. Right now, in Britain, it’s cool to be an entrepreneur. *Dragons’ Den* exemplifies that.”

And what does he make of all the publicity and celebrity status that comes from being a television star? “I’ve been staggered,” he says. “I get stopped in the street every day. I went for the Haj pilgrimage and, of course, you don’t go there thinking you’re a celebrity – it’s a humble and spiritual journey. I was in a tent in Mecca standing in a queue with a tray getting something to eat and this woman was taking a picture of me with a mobile phone. It just didn’t dawn on me until she said she was a fan. It just shows the power of television.”

Outside business and the television studio, James is involved in various charities. He believes that entrepreneurs have a duty to give something back. “The key ingredient isn’t actually money,” he says. “Of course, we have the wealth and we should give, but entrepreneurs are resourceful – they can make things happen, and I think it encourages other people to become entrepreneurs. And unless we are innovative and creative in what we do, as an economy, I think we are going to struggle.”

James himself set up the James Caan Foundation, which provides education for underprivileged children both in this country and the Third World. He has a school in Lahore, which he built up from scratch and which he visits regularly.

“My experience has been that you get more enjoyment out of giving than receiving. There comes a point where you can have another, bigger car or eat in fine restaurants but, like everything in life, the novelty does wear off. And to me, when I turn up at my school in Lahore and watch those kids and I see the difference from the last visit and the fact that they’ve moved on – you stand there incredibly proud. You think, I’m going to change the lives of these kids and the community that they live in. And that to me is far more exciting and far more rewarding than if I did another deal today.”

The sixth series of *Dragons’ Den* has just returned to our screens and James’s autobiography, *The Real Deal: My Story from Brick Lane to the Dragons’ Den*, comes out next month. He’s also about to launch a £100 million fund compliant with Islamic Shariah law for Middle Eastern investors keen to take advantage of falling property prices over here.

“If you are in a position where you can access the UK market through a vehicle that complies with your religious values, I think it’s a great opportunity for both them – and for us. Sounds like a win-win situation to me.”