Prufrock

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Eurocrat's gravy train goes off rails

WHO said life in Brussels is dull? Take Karel Brus, a former EU agriculture official. His speciality was European export subsidy applications. Yawn. But actually life as a Euro official can be racy — as long as you know the right people.

Like Glencore allegedly. According to court documents lodged in Brussels, a subsidiary of the commodities trader sidled up to Brus to extract inside information relating to European export subsidies for cereals in 2002 and 2003.

How did it get the intel? Good old-fashioned bribery. Glencore, which listed in London last year, allegedly paid Brus's €20,000 (£16,000) phone bill and bought him a week-long holiday in the south of France.

But it was some of Glencore's co-defendants — including Union Invivo, a French agricultural co-operative — that made Brus feel like a rock star. They allegedly bought him €78,000 of dinners in restaurants and hostess bars, cases of wine and champagne and a €12,000 cutlery set. His cornflakes must have tasted good on those silver spoons.

Zuckerberg takes baby steps

CATERS NEWS AGENCY

The children of Mark Zuckerberg and Priscilla Chan could be in line for a huge trust fund

IS Mark Zuckerberg feeling broody? The billionaire Facebook founder appears to be itching to get into the baby tunnel if his meticulous financial planning is anything to go by.

Zuckerberg, who celebrates his 28th birthday tomorrow, has created a trust that will rocket in value when the social network floats on the Nasdaq this Friday. The fund is crammed with Facebook shares worth a tasty $120m (£75m).

Zuckerberg, who lives with his long-term squeeze Priscilla Chan, will be able to hand the stock to his sprogs without having to pay any gift tax — thus shaving about $35m off his tax bill.

This is nothing compared to Dustin Moskovitz, who founded Facebook with Zuckerberg in 2004. Also childless, his trust is worth $500m. Just what the world needs: supertrustafarians bred from nerds.

IT's official. In the age of austerity nothing is sacred. We hear Citi has told its top bankers that the Wall Street giant's corporate entertainment kitty is empty. For the rest of the year, bankers hoping to woo executives with centre court seats at Wimbledon or the royal box at the Opera House will have to pay for it themselves.

The Citi press office said this was "nonsense". "No entertainment for the rest of the year? That sounds absolutely crazy," the spinner fumed. Tell that to one Citi banker we know who's already down a few grand. He's started using the trusted tactic of the hard-up courtier. "We always go out. Why not come over to my place? Our office Nespresso machine makes a fabulous brew." Banking will never be the same.

QUELLE horreur! The French are coming to London. Not all of them — just the rich ones who can't be bothered with François Hollande's plans to tax the living daylights out of anyone earning more than €1m. I hear some families have already started eyeing up properties in Kensington, which means only one thing for west Londoners: more skinny, chic French women. But Brits can now give them a run for their money on the style front. Kate Davis, a former corporate lawyer at Slaughter and May, is launching the English language version of Nettement Chic — an online directory of the coolest French brands. Bon shopping.

New ball game at Aviva

WE know a lot about the dalliances of Andrew Moss, the former Aviva boss who resigned last week after a shareholder revolt. Patrick Regan, the insurer's finance director, is in the frame to replace Moss, but what can we tell you about him? If his Twitter account is any guide, he seems to have a bit of a thing for Ben Youngs, the England scrum-half. Regan has sent 10 messages to Youngs in the past year. "Ben r u back in Aylsham now?", "Well done Ben", "You did us proud Ben", "R u injured Ben?". On and on it goes. Unlike Moss's distraction, at least Youngs isn't on the payroll.

INSIDE THE CITY

DANNY FORTSON

Xstrata sound and fury was overplayed

SINCE Glencore and Xstrata announced their £56 billion merger three months ago, two questions have dogged it.

Will Mick Davis, Xstrata's chief executive, be able to convince enough investors to push it through, and if so, how much will the new raw materials giant offer to keep the notoriously well-paid mining supremo on board?

The response to the first is all but answered: yes.

Schroders, the fund manager, was the most vociferous critic of the deal "ratio" that will see Xstrata shareholders receive 2.8 shares in Glencore for every one of theirs.

Schroders' Richard Buxton said it was a "poor deal" for investors and vowed to vote against it. So did Standard Life. In the end they seem to have been all mouth and no trousers.

Schroders has sold 10m shares — a quarter of its holding — and the rumour this weekend was that it planned to liquidate the rest of its position before the official offer document comes out in the next fortnight. Standard Life has cut its position as well.

The biggest buyer? Qatar, the gas-rich emirate that has indicated its support privately to Davis and Ivan Glasenberg, head of Glencore.

The second question, in these torrid days of the shareholder spring, could be more tricky. The companies have kept schtum over just how generous Davis's pay package will be.

The new entity would do well to hold on to Davis. He did, after all, turn Xstrata from a $250m (£155m) cash shell into a £32 billion mining goliath.

All Glencore and Xstrata have said is that if, or when, the deal gets done, Davis won't get an immediate cash pay out.

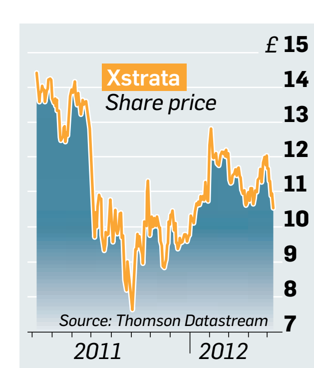
Any largesse showered on him will come over a period of at least three years. The terms will be published in the offer document. What is certain is that the headline number will be big — tens of millions of pounds.

This shouldn't be too surprising. In early 2008, Xstrata got close to selling out to Vale, the Brazilian iron ore giant, for about £45 billion. The deal fell apart partly because Glencore wanted to turn its Xstrata shareholding into a big stake in the combined group, while the Brazilian government insisted on harsh constraints on Glencore's power in what would still be a state-owned group. It was a gap they never bridged and the negotiations collapsed.

If the deal had been done, Davis would have gained more than £200m from his shares and options. It is hard to forget such a missed opportunity.

You can bet that he will have secured a generous reward for seeing through a tie-up that, this time, would yield a more diversified group unencumbered by a controlling government shareholder.

The question is whether that will incite a groundswell any stronger than the feeble one that the "No" camp threatened to muster.



Super Group

DOES Julian Dunkerton protest too much? The chief executive of gaffe-prone fashion chain Super Group — progenitor of the Superdry label — was at pains to point out last week that his company was not another French Connection. The latter, you will recall, used to be super cool. It's FCUK logo was everywhere. Then, for some reason, it wasn't.

Dunkerton insists Super Group is more than a one-trick pony. It offers not only hoodies and jackets emblazoned with the Superdry logo. There's pants, perfumes and "leathers" as well.

The company has been caught out by its frantic attempt to grow. Dunkerton highlighted its 675% sales increase over the past four years, thanks to an orgy of store openings.

He also admitted that flat sales at existing stores capped a "disappointing end to a challenging year". Three profit warnings pushed the shares down to 330p, a fifth of the high they hit last year.

At such a low ebb, they might just be worth a punt. It's not that big a call. Think of it this way. Fifteen quid buys you a pair of fiery orange underpants, or five shares in its maker. Which would you rather own in 10 years' time?

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