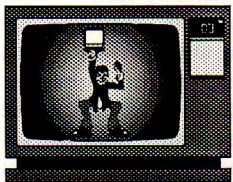


< management and policy. In addition to funding the new body, the RM is also taking direct responsibility for payment of commissions to mailing-houses. Recognition will be accorded automatically to existing DMSSB members for the unexpired portion of their current period of certification; members must then formally apply to DMARC for renewal. DMA director of legal and legislative affairs Colin Fricker says all parties are aiming for a "seemly and seamless" transition.

Precision Marketing, 6/2/95

[Debrief learns that the new commission system is unlikely to retain its present 'cashback' format; instead, commissions will take the form of credits against future postings - a system which enhances the RM's cashflow at the expense of mailing houses, many of which have come to depend on hand-outs in hard cash. It also begs the question as to whether clients will claim such credits on postage for themselves? Many in the industry will regret that neither the DMSSB's highly respected chief executive *Michael Goodrich* or assistant director *Priscilla Titford* will be associated with the new body. Their successors will be hard stretched to maintain the standards they have set.]



QVC TO EXTEND TO MOST CABLE & SATELLITE HOMES

□ IN AN EFFORT TO STEM its massive losses and widen its miniscule audience, the ailing QVC home shopping channel is offering itself for free to all cable and satellite viewers. Hitherto confined to Sky TV, the channel admits to being £12m behind its first year target and was leaking money "like a sieve", according to former QVC Inc chair, Barry Diller. Although no official viewing figures are available, it is thought that audiences rarely reach 250,000; extending its coverage beyond Sky will allow the channel to reach up to 750,000 more homes. However, the stop-press news, as yet unconfirmed, is that QVC moved into profit for the last quarter of 1994 shipping 400,000 orders and recording a surplus of £400k for the period. On this basis, the company predicts a £4m annual profit by 1996.

The Times, 27/1/95; Deadline fax newsletter, 10/2/95

DON MARKETING STEPS-UP ITS ATTACK ON SHELL

□ IN A SCENARIO that increasingly resembles the rousing Hook Advertising vs Barclays Bank saga, promotional consultancy **Don Marketing** is piling the pressure on **Shell UK Oil** in an effort to obtain redress for alleged theft of its intellectual property [Debrief, 2-113]. Don claims Shell used three of its promotional concepts without authorisation or payment and has taken the unusual step of placing a half-page ad in *Forecourt Trader* asking Shell dealers if they

are "willing to complete a questionnaire which may assist us in our legal actions". Don then formed a *Shell Corporate Conscience Pressure Group* and mailed Shell dealers and institutional shareholders accusing the oil giant of a cover-up involving a "flawed promotion". Don claims the SCCPG has more than a dozen members including individuals and companies owning shares in Shell. With the bland silkiness that only a multi-billion dollar multinational can muster when attacked by a minnow, a Shell spokesman commented: "We are surprised that Don has chosen this course".

Marketing 12/1/95; Marketing Week, 27/1/95

DUTCH DM AND SP TRADE ASSOCIATIONS IN MERGER

□ PRAGMATIC AS ALWAYS, the Dutch have combined their below-the-line clout to better represent their national marketing interests in Europe. In a three-way merger, the Dutch Direct Marketing Association, the Dutch Mail Order Association and the Dutch Sales Promotion Institute have formed a group with over five hundred members - the **Dutch Association for Direct Marketing, Distance Selling and Sales Promotion**.

DM News(USA), 23/1/95

DMB&B APPOINTS FARRELL AS OVERALL UK SUPREMO

□ IN A HIGHLY UNUSUAL, perhaps unique, move a leading figure in sales promotion has taken the helm of a major UK agency group. **DMB&B Europe** has appointed IMP's *John Farrell* as chair of its entire UK agency network, including IMP, DMB&B and The Media Centre, displacing the former joint-chairmen of DMB&B, *Graham Hinton* and *Tony Douglas*. Farrell, president of IMP Worldwide until his promotion, refuses to comment on the political background to events, saying only: "I have been charged by my boss (*Jean Jabes*, the recently-appointed president of DMB&B Europe), to get on with making sure each of our companies is the strongest in its sector but critically to confirm our leading position in integrated marketing". DMB&B and IMP move into shared offices later this year; this apart, the mechanics and strategy of integration remain under wraps.

Precision Marketing, 6/2/94

BETTING BARONS BOOST AD SPEND AS LOTTERY BITES

□ PRESSURE is being exerted on the Government by **The Bingo Association of Great Britain** to allow bingo operators to advertise on TV to counter increased competition from the National Lottery. The association (which includes major operators like Rank and Bass among its members) is also reviewing its ad account, currently with *Young & Rubicam*.

Campaign, 27/1/95

• Earlier the same week, the Home Office bowed to lobbying from the pools promoters and waived its ban on advertising football

pools on TV and radio. The announcement coincided with the loss of 95 jobs at **Vernons** - virtually 16% of its workforce. **Littlewoods** estimates that the Lottery has cost it 10% of its income but stressed it has "absolutely no plans for compulsory redundancies" among its 4,000 strong workforce.

Financial Times, 26/1/95

• An injection of cash from unnamed sources abroad is enabling **Pascal & Company**, promoters of the so-called **NHS Lotto**, to relaunch its controversial seven year-old scheme with the boast that it will create a millionaire a week. NHS Lotto, a registered charity, claims to donate 25p in the £1 to equipment for NHS hospitals; a spokesman for the Department of Health confirms that donations had been made to hospitals but stressed there is no official connection. The promoters also claim to have written legal clearance on the scheme from the Crown Prosecution Service and have appointed **TBWA** and through-line agency **FSC** to handle its multi-million pound relaunch.

Marketing, 19/1/95

SPCA SPREADS ITS NET IN NEW MEMBERSHIP DRIVE

□ DIRECT MARKETING and integrated agencies are to be wooed by the **Sales Promotion Consultants Association** in a bid to broaden its membership base - currently sixty-three strong. At its AGM in late January, the SPCA hiked subscription fees from £1,300 to £2,000 to fund the recruitment drive and promote its agency register - a showcase for members' work.

Precision Marketing, 6/2/95

AGENCIES' ANGER ERUPTS AT MERCURIAL MERCURY

□ CAPRICIOUS mobile phone network **Mercury One-2-One** is at it again! Having created a furore last summer by allegedly awarding its business to *Amherst Direct Marketing* and *Evans Hunt Scott Eurocom* then reneging in favour of incumbent **Sutch Webster WMGO** which hadn't repitched [Debrief, 2-73], the account is again up for review with, rumour has it, **SWWMGO** again uninvited to the beauty contest. According to *David Gosen*, direct marketing manager at One-2-One: "We operate in a dynamic market which is always changing. The reappraisal of our agencies reflects this." [English translation: "Competitors are beating the shit out of us and following our recent promotional fiasco, Mercury's wallet is £5m lighter while market share remains static. Someone's job's on the line so let's try to deflect attention with an agency review."] Meantime, there is talk of agencies within the DMA creative group boycotting future pitch invitations from the winged messenger.

Precision Marketing, 23/1/95; Deadline Fax Newsletter, 30/1/95; The Times, 1/2/95

• Continuing the hallowed tradition of agency exploitation, another pedlar of mobile phones, **The Carphone Warehouse** also

"FOR THOSE OF US WHO MUST KEEP IN THE KNOW, BUT NEVER HAVE THE TIME - DEBRIEF IS INVALUABLE, COMBINING WIDE COVERAGE WITH INFORMED COMMENT - A MUST."

Steven Jenkins, Joint MD, SJA Direct

Debrief

The monthly management briefing / index of events and trends in below-the-line marketing

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KEY EVENTS - THE MONTH IN OVERVIEW

PO UNAWARE OF "TENS OF THOUSANDS" SUBSIDY TO ISP

□ THE LAVISH AND UNAUTHORISED use of Post Office funds to subsidise Institute of Sales Promotion activities is causing red faces and stitched lips at the trade body. Former ISP chair and senior Post Office executive Roy Piercy is said to have exceeded his authority by supporting ISP projects with RM cash, allegedly to the tune of "tens of thousands of pounds". Shortly after completing his term as ISP chair - an honorary post - in the autumn of 1993, Piercy abruptly quit the Post Office and monies owing to him by the PO were withheld pending investigations into the expenditure, about which it says it was "unaware". The ISP will say only that "the matter has now been resolved" although its legal advisor, Philip Circus is reportedly "worried" by the situation.

Incentive Today, 1/95

LABOUR WILL CUT COI AD-SPEND, PROMISES BLAIR

□ LABOUR LEADER Tony Blair told the Nolan enquiry into parliamentary standards that an incoming Labour government would legislate to outlaw "party political" advertising in the guise of public information announcements via the COI. Blair says the Government has abused the long-standing convention that "party political advertising should not be run at the taxpayers' expense" and promises to formalise the understanding on a statutory basis within a sweeping Governance of Britain Act aimed at raising UK political standards. "Ministers appear to have little difficulty in obtaining relatively large sums of money to advertise schemes, even where these are almost certain to appeal only to a tiny minority of people", says Blair, citing a £500k responsive campaign via Leo Burnett to persuade council tenants to convert from rentpayers to mortgagees - resulting in just two applicants in six months. Blair also accused the Tories of hiking Government ad spend in the years preceding general elections: from £30m in 1985/6 to £97m in 1986/7; with a replay five years later from £136m in 1990/1 to £154m the year following. Ministers, however, insist that the COI's budget has simply risen in line with media inflation which they claim has grown faster than the retail price index. [Unconvinced by ministerial claims of 513% media inflation in six years, *Debrief* invited Graeme Hutton, media planning director of CIA, to comment. His reaction was hollow laughter: "There is a very slim correlation indeed", says Hutton, between the ministerial figure and actual media inflation - over the period in question, TV prices have averaged an approximate increase of 8% year-on-year and press by 6%.]

Campaign, 27/1/95

GALLAHER BRANDS IN CUT-PRICE MAIL ORDER DEAL?

□ TOP-SELLING GALLAHER BRANDS such as Benson & Hedges and Silk Cut may soon be available to British smokers via a Luxembourg mail-order shell for up to £1 per pack less than UK prices. The Man in Black (aka Captain Black), a subsidiary of The Enlightened Tobacco Company, already offers its Death brand to smokers via the same route [*Debrief*, 2-126], avoiding UK excise duties through an EC legal loophole. The final decision whether to supply big-name brands by mail will be made shortly and Nigel Anderson, a non-executive director of TETC, believes such a move may eventually force the Government to bring its excise duties down to European levels. [The plan is unlikely to be mere PR braggadocio: as the former joint managing director of tobacco giant Gallaher, Anderson has the know-how and industry contacts to make it happen.]

Independent on Sunday, 29/1/95

CORRIGAN'S GIFT: A SEAT ON THE NEW WATCHDOG PANEL

□ IN A LONG-EXPECTED MOVE, the Direct Mail Accreditation & Recognition Centre will replace the Direct Mail Services Standards Board as of 3 April. Chosen by "general consent" of the DMA, DMSSB and the Royal Mail, the chair of the new mailing-house watchdog is Tom Corrigan, former chair of the toothless Post Office Users' National Council. Corrigan is a chartered accountant, ex-chair of the Rex Stewart agency, the Inveresk group, and latterly a consultant to the Cabinet on the Citizens' Charter. Serving under Corrigan, the DMARC regulatory panel will comprise a Royal Mail appointee, two industry members nominated by the DMA - but appointed by the chair - plus four independent members also proposed by the chair [so, all, bar the first, effectively in Corrigan's gift]. Whilst the DMA is to provide office space and administrative services to DMARC, recharging these to the Royal Mail on a quarterly basis, it is carefully distancing itself from matters of DMARC ▸