

In brief

■ Truprint has announced the appointment of sales promotion agency, Swordfish. The SP agency will handle the launch of Truprint's new millennium promotion. Customers will be given the opportunity to win holidays and cash in the instant win game which will be carried on the developer's photo wallets.

■ Performance improvement company, Maritz Limited has published a new awards brochure featuring over 1250 items of premium branded merchandise. The brochure is designed to offer awards to suit every client and their employees and will focus on employees aspirations and lifestyles.

■ Promotion Campaigns Group Manchester is running an instant win promotion in Firkin pubs this month. Players hold their game cards against a cold pint of Carlsberg Export. The image of a graphic equaliser then changes colour from yellow to red and green, the level of the green bars indicating the prize won. Prizes include £500 of Technics equipment, Export T-shirts and free pints.

■ Luggage company, Antler Ltd has confirmed an MBO to purchase the company from parent group, Wassall plc. The move is to consolidate Antler's position as a number one luggage brand by expanding into the High Street and further developing its business with Marks and Spencer. The MBO is being backed by Royal Bank Development Capital, which is an arm of the Royal Bank of Scotland. Marketing director, Brian Wreford says of the future growth potential, "By the new millennium Tourism is likely to become the world's largest industry. We feel the prospects for a top luggage brand can only be extremely positive".



■ The Eddie Stobart Haulage Fleet will carry tailgates featuring stickers of the Steady Eddie character and speech bubble message in a bid to drive awareness of the concept this summer. Stickers will link with promotional activity across 440 Little Chef outlets nationwide. Two new books are also planned to support the road safety awareness campaign.

Row over ruling ramifications

The recent ruling on scratchcards has caused confusion in the promotions industry over the ramifications for the industry as a whole.

ISP legal advisor, Philip Circus, told Incentive Today, "The Industry needs to know about this case because there will be ignorant lawyers out there who could misrepresent this case. It needs to know why this case differs from normal instant win mechanics."

The ruling handed down by Judge Raymond Jack had been dubbed, "The most serious threat to the sales promotion industry in recent years" by ISP Chairman, Simon Mahoney.

Other industry observers have voiced concern saying that, if taken to the letter, Judge Jack had ruled that all promotions that offer the consumer a chance once they had bought the product constituted an illegal lottery.

"This is potentially a very nasty judgement which could leave agencies in a particularly dangerous position with regard to client liability," said one agency head.

However, having considered the full judgement, the ISP gave a more measured response in the run up to a

briefing last week to clarify the minutiae of this and many other free-entry-route-related issues.

The scratchcard promotion in question had been made available by the retailer to customers after purchase and this had caught the eye of Judge Jack who ruled such scratchcards promotions as illegal.

The ISP's eventual position statement said, "Because of the significant and, we believe, crucial differences between the case of Russell v Fulling and Page and the majority of promotional techniques employed by the industry we do not recommend that the industry discontinues its use of such techniques."

"What the case does show is how crucially important it is in defending such schemes to demonstrate that consumers have a genuine free entry route and therefore, pay increased attention to ensuring that free entry routes are genuine and realistic. This means, among other considerations, ensuring that the free entry route is made clear up-front before the consumer is faced with a purchase."

full details ISP position statement - www.isp.org.uk

Don and Shell end Smart row

After a bitter six year legal battle with Shell UK John Donovan has abandoned his claim against Shell UK. Donovan alleged that Shell stole his ideas for the Shell Smart loyalty scheme and initiated court proceedings in 1993.

Both parties issued a joint statement saying, "John Donovan has abandoned his claim against Shell in relation to the Shell's Smart loyalty scheme. He has acknowledged that these claims are without foundation and should not have been brought."

"Mr Donovan has also withdrawn all allegations of impropriety made against Shell and its employees in connection with these proceedings and has agreed not to repeat them in any manner whatsoever."

Both parties are bound by confidentiality clauses and have made no further comment on the dramatic turnaround just three days before the court hearing.

Speculation in the industry suggests that the sudden capitulation points to the possibility of a merger between Shell and another major petrol brand. The oil industry is going through a period of major mergers with BP-Amoco-Mobil, Total-Fina and Esso-Mobil, all recent examples.

One ex-Shell employee said, "This has been an on-going saga for so long now, one could reasonably assume that the action had become a fly in the ointment for any potential deal. From the language of the statements it does seem that Shell has wanted to draw a line under this action and secure the future of Smart. This could now pave the way for a merger, and Texaco would be the likely candidate."

The recent fluctuations in the oil price and the need to rationalise and cut costs across major markets has led oil giants into increasingly ambitious partnerships.

Currently Total/Fina is pursuing French giant Elf which itself has long been seeking a partner for its UK operation. Shell and Texaco are currently the only majors without partners. In the US, the two companies have been downstream partners for a number of years.

Shell's proposed merger with Texaco was halted last year. Uncertainty over the long-term legal ownership of the Smart concept would certainly be a barrier to such a deal.

Bacardi-Martini goes radio-ga ga

Biggart Donald has created a campaign for Bacardi-Martini called 'The Radio Cuba' campaign. The campaign, which begins in July, promotes the new smoother taste of Bacardi Spice with an on-trade promotion designed to encourage trial and drive sales.

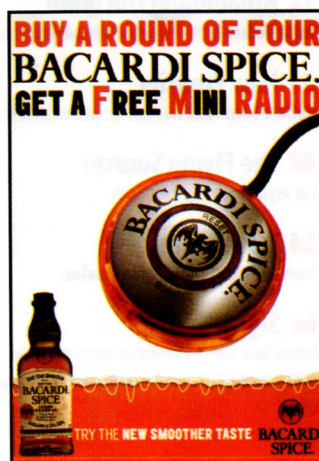
The campaign which will be launched in Scotland will target men between the age of 18-24. Pubs and clubs all over Scotland will host the promotion which offers a free radio when four purchases of Bacardi Spice are made. The radios will be supplied at the point of purchase.

The campaign will be communicated and supported with a range of point of sale material including hangers and posters.

The radio's are produced by Oldeani, who specialise in promotional clocks, watches and incentive merchandise.

Chris Lumsden from Biggart Donald

says, "Our objective was to come up with an innovative and compelling promotion which would stand out and motivate the target market at the point of purchase - we feel that the Radio Cuba campaign will achieve this."





Shell and Texaco are discussing a UK and European alliance.

What does it mean for you, our customers?

- **Shell and Texaco have signed a 'Memorandum of Understanding'**

This means we can talk with each other about details, with a view to forming an alliance. The Memorandum is 'non-binding', meaning we don't know yet if an alliance can go ahead, but we are interested in forming one and are now working towards this.

- **Would Shell and Texaco Service Stations and all they offer be the same?**

As things stand, each company will continue with its own brands, service stations and products. Shell fuels will continue to be of the same high quality and reliability; so will Shell Service Stations and Shell Select Shops and they will go on developing as before. But behind the scenes - in offices, depots, manufacturing and so on - an alliance would help us to be even more efficient in bringing the very best at competitive prices to you, our customers.

- **Would it affect prices?**

The UK service station business is intensely competitive, and most of the price you pay at the pump - about 80% - is tax. An alliance certainly wouldn't cause prices to go up, and in this very competitive market there is little scope for cutting prices. But our constant goal is to bring you the best all-round quality, service and value for money that you will find anywhere in the UK - and an alliance with Texaco would mean we could do this even better.

- **What about SMART Points and Air Miles?**

Both companies will go on offering their customer loyalty programmes. Any changes in the future would be in response to customer demand, and customers would be told well in advance.

continued overleaf

- **Would any Shell or Texaco Service Stations close?**

We would not anticipate any widespread closures as a result of the alliance but we cannot rule out individual service station closures.

- **Why Texaco?**

Texaco are a very good company. We believe we could work well with them in an alliance that would build even more on the high quality and value of our offers to you, well into the future.

**If you would like to ask us more, call the
Shell UK Customer Service Centre:
Freephone ☎ 0800-010100**



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