

Pascoe opens new sports agency

By Roger Baird

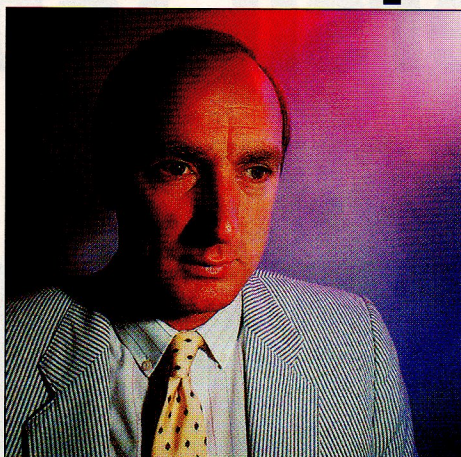
Alan Pascoe has set up a new sports agency focused on athletics, called Fast Track, after selling his stake in sports agency Alan Pascoe International (API), the company he formed 20 years ago.

Pascoe, the most senior figure in UK sports marketing, will now concentrate on reviving the British Athletics Federation (BAF) which went into receivership last year with debts of about £2m.

Fast Track will stage four major athletics meetings, beginning with the Bupa Games in July.

The sport's existing commercial sponsors – Reebok, Bupa, Spar and Seiko – are backing the new structure.

Earlier this week, Pascoe sold his remaining 40 per cent stake in API to sports marketing group Octagon, which is owned by the advertising conglomerate the Interpublic Group.



Pascoe: Selling stake to set up own his agency

Octagon bought the other 60 per cent of API, as well as rival sports agency Advantage, last May. The two companies were expected to merge, with Frank Craighill, the founder of Advantage, tipped to lead the new company (MW May 25 1997).

In January, Craighill was made president of the Octagon holding company. The merger of API and Advantage will now be led by current Advantage chairman Lee Fentress. The combined companies have billings of £500m a year.

When Interpublic bought the majority stake in API, Pascoe told *Marketing Week*: "I am certainly very committed to it and intend to remain part of it."

In a statement released on Tuesday he says: "My decision was not an easy one. Key to this decision has been my desire to be directly involved in client work, instead of the management and administration of a huge multinational conglomerate."

Shell faces new threat to Smart card scheme

Don Marketing, the sales promotion agency embroiled in a legal wrangle with Shell UK, is threatening to send letters to Shell's 1,700 service stations warning owners about the legal implications of operating the Smart card scheme.

Managing director John Donovan intends to send a "letter before action" to a sample station – Tim Brinton Cars in Bury St Edmunds – then roll out the mailing to the entire network at a later date.

The proposed "letter before action" warns that Don Marketing has the legal right to seek damages against any company participating in the Shell Smart scheme without consent from John Donovan.

Shell's solicitor DJ Freeman has written to Donovan's solicitors Royds Treadwell warning that "the sending of such notices amounts to an inducement to breach their contractual commitments to our clients, and as such, are unlawful".

But Donovan is adamant that the letter will be sent even though the full mailing to all service stations will cost thousands of pounds.

"It is our firm intention to send it and if stations continue to operate the Smart scheme we will issue further proceedings to stop them," he says.

Don Marketing has issued two writs alleging Shell UK breached copyright on the concept idea used



Smart Card: Station mailing threat

to create the Smart card loyalty programme and for alleged defamation of Donovan in a press statement (MW April 16 and 23).

Shell has been warned by its solicitors not to speak to the press following Donovan's defamation action.

The company issued a statement saying: "The proper forum for resolving these matters is in court and proceedings are moving forward to enable them to be resolved there."

Co-op to use relatives of stars in ads

The Co-operative Wholesale Society is to use relatives of celebrities in its first television advertising campaign for its retail stores.

Jeremy Beadle's wife will feature in one of the three family-oriented ads which are to break this Sunday.

There will also be a corporate brand building campaign featuring the society's other businesses such as travel and funeral services.

The ads, created by Partners BDDH, follow the company's strategic review at the end of last year, which focused on its food stores.

CWS is understood to be in talks with small regional supermarket chains with a view to increasing its chain of convenience stores.

The company is due to rebrand these stores later in the year, introducing a new trading name and shop fascia. This will be differentiated from the group's Co-op Supermarkets and Co-op Superstores.

The relaunched convenience stores will offer late-night opening, with a greater emphasis on fresh and chilled products, wine and spirits.

The Society has re-introduced the Co-op divi card to its food stores and is understood to be extending its loyalty card to other businesses.

Asda slashes Savlon price to prove a point

Asda has cut the price of Savlon Antiseptic cream by half to make a point about price-fixing within the healthcare industry, which it criticises as a "rip off".

Savlon Antiseptic, distributed by Novartis Consumer Health, is free from the practice known as resale price maintenance (RPM), unlike another Savlon product, Savlon Wound Wash, which must be sold at a fixed price.

Asda wants to draw attention to these inconsistencies and yesterday (Tuesday) put up posters in its 217 stores saying: "It's a rip off. We think price-fixing should be abolished. Isn't it funny how this (Savlon Wound Wash) is price-fixed? Isn't it funny how this (Savlon Antiseptic) isn't?"

Asda staff in the healthcare aisles

also wore badges saying "It's a rip off! Ask me about price fixing".

Asda will sell Novartis Consumer Health's 500ml Savlon Antiseptic Cream at 95p instead of its £1.89 recommended retail price. The Wound Wash is fixed at £2.25.



Savlon: Prices now under attack

Asda's chief executive Allan Leighton says: "Under the current system manufacturers seem to be free to suit themselves and single out products for price-fixing without rhyme or reason."

The supermarket's campaign coincided with the first Competition Bill committee session. Asda wants an amendment to the Bill which will refer the issue of resale price maintenance to the Office of Fair Trading for investigation for the first time in 25 years.

Asda has previously launched price-cutting campaigns on books, comics, magazines, perfumes, skin-care and feminine hygiene products.

It was forced to reinstate prices on vitamins in 1995 after manufacturers took out injunctions.



Co-op: Corporate brand building