

Shell reveals plans for challenging Smart writ

By Tom O'Sullivan

Shell has revealed confidential details of the defence it will use against a High Court writ alleging it failed to pay or credit a sales promotion agency for the idea of the Shell Smart card loyalty programme.

Don Marketing has issued the writ over the disputed idea dating back to 1989, together with a further writ, issued last Friday, claiming that its managing director John Donovan has been defamed in a Shell press statement (*MW* April 16 and 23).

Shell's defence claims that an internal project called "Onyx" which began in October/November 1991 created the loyalty programme now known as Smart.

Shell's solicitors DJ Freeman also claim in a document written in June 1997 that elements of the Smart idea were public prior to the 1989 meeting with Don Marketing, that they were first developed by Shell as part



Shell: Disputes Don Marketing writ

of an internal project called "Nova" in 1987 and that there were talks with other agencies going on at the same time.

The first Don Marketing writ claims that one of the members of Shell's Onyx team, Tim Hannagan, had a discussion with Don Marketing about a possible multibrand loyalty scheme as early as 1990.

Shell UK retail development manager Mike Harle says: "It is completely untrue and we intend to

prove in the courts that the idea of multi-retailer marketing programme using smart card technology was not Don Marketing's idea.

"It was merely the result of work Shell had done internally and in collaboration with other promotions agencies."

But John Donovan says the agency has looked at the claims surrounding Nova and Onyx: "I am the one who started this ball (the Smart concept) rolling and have the evidence to prove it. Why would I, or anybody else, write 'confidential' on the top of a document (in October 1989) if the idea was already in the public domain?"

Don Marketing's second writ alleges that last week a Shell press statement defamed Donovan. It seeks damages and an injunction to prevent Shell from making further claims about him.

Shell says the press statement was "defending" its position.

Virgin and RAC link up for holidays

Virgin has joined forces with the RAC to launch a range of co-branded themed holidays.

The joint initiative, called Classic Global Drives, features ten driving holidays in the US, Australia and South Africa which will be promoted in co-branded brochures.

The brochures will be sent to RAC members and will also be available from the direct operation Virgin Holidays.

The news coincides with Virgin Holidays' first European product, called Virgin Sun, which offers short-haul holidays.

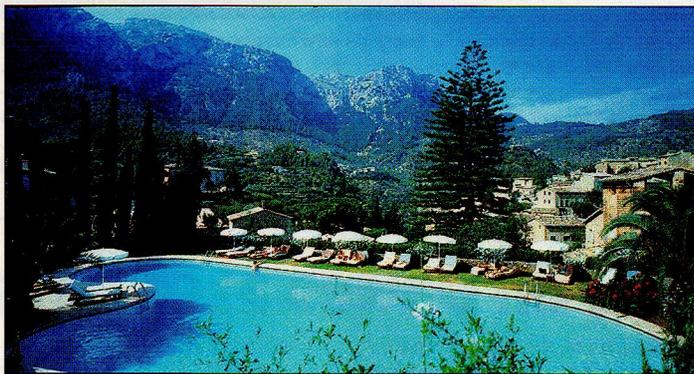
Virgin Holidays offers trips to the US, the Caribbean, the Far East, Australia, South Africa and Mauritius and is expected to carry 250,000 passengers during the 1996/97 travel season.

Classic Global Drives include

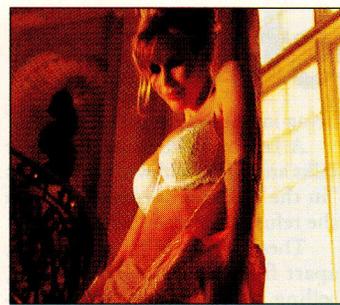
film and music inspired routes, such as Steve McQueen's ride through San Francisco as featured in the movie Bullitt, Thelma and Louise's drive along the Grand Canyon from the film of the same

name, and a drive along Route 66.

Virgin and the RAC will also offer holidaymakers the option of travelling the routes in classic American cars, such as Cadillacs and other convertibles.



Virgin: Joint initiative with RAC features classic worldwide car drives



Citroën: £6m Xsara TV campaign

Citroën risks Schiffer ads controversy

Citroën is courting controversy with a new £6m TV campaign that has supermodel Claudia Schiffer stripping.

The car maker and its agency EURO RSCG Wnek Gosper claim the ad has researched favourably among women. But they face complaints that they are exploiting sex to sell the coupé version of the Citroën Xsara, which has been specially adapted for the UK market.

The ads, which break next week, feature Schiffer walking down a set of stairs removing her clothes as she walks to her car. Finally as she drives off in her Xsara, she drops her knickers out of the window in preference to "wearing the car".

Between October and the end of March, Citroën sold 6,631 Xsaras in the UK. Marketing director Mike Ibbett says: "I am not concerned with Xsara's performance. It has been slow, but I am not disappointed. The coupé will inject some impetus, but it always takes a while to get going."

Ibbett says the TV advertising is an attempt to define the positioning of the brand as stylish and fashionable.

Schiffer appeared in the launch campaign for Xsara in continental Europe, but the ad, in which an airbag came to her rescue in a crash, was not shown in the UK because of the death of Diana, Princess of Wales.

The model will also feature in poster work for the Xsara estate which is launched next month.

Internet phone firms claim to undercut BT by 70 per cent

Two services offering international telephone calls over the Internet, claiming to undercut BT by up to 70 per cent, are being launched in the UK.

The services on offer – one for computer users, the other for telephone users – both use the Internet to connect to a global telecoms network and are targeted at residential and small business users.

The "PC to phone" and "phone to phone"

services from Delta Three, part of RSL Telecommunications, will be rolled out across Europe over the next four months.

Computer users load free software, enter the Delta Three Website and make calls using their computer's microphone and speakers. Alternatively cards allow calls from any conventional telephone.

Delta Three's CD-Rom software will be promoted through covermounts on computing titles and both services will be supported by press advertising. The cards are available from retail outlets.

RSL Europe corporate communications director Paul Graber claims savings of up to 70 per cent against BT's standard rates can be made.