

DON MARKETING: THE FACTS

There has been some leafleting of staff at Shell headquarters buildings in connection with a writ issued against Shell UK by Mr John Donovan, director of a company called Don Marketing. Mr Donovan has been making a number of unpleasant allegations in his leaflets and in the press. This factsheet explains the background for staff.

Mr Donovan claims that his company invented the SMART loyalty programme and that he or his company should be compensated for its use. Shell UK is strongly defending the claim, having carefully investigated and discussed it with Mr Donovan and his solicitors.

Mr Donovan and his companies have made several claims against Shell in the past. For good economic reasons, these cases were settled before they reached court. At that time, both parties agreed that there should be no further public debate about these matters, an obligation which Shell UK has consistently honoured, but which Mr Donovan has not.

Shell UK believes however that the current case cannot be concluded satisfactorily except by allowing it to proceed to court. We are vigorously defending the writ Mr Donovan has issued about SMART, and counter claiming against him for failing to honour his previous agreement. We expect the case to go to court next year.



alleging that we have taken numerous measures to try to keep him quiet, we are aware that this could give him an opportunity to try to present himself as a 'David' fighting a 'Goliath'.

In general, companies know that libel proceedings may attract far more publicity than the original allegations had or would be likely to have. An example is the recent "Mclibel" case which tied up McDonalds for years. Any case we brought would not necessarily be the same, but it can be a major business diversion for no real gain to the company, and people don't always remember who won.

One of our colleagues who has been smeared by Mr Donovan's assertions is

either in relation to this claim or any previous claims. We are confident that he has acted properly throughout.

Mr John Donovan is one of a number of people who from time to time have approached us to suggest marketing concepts. Generic concepts in marketing are often quite common and not original in themselves. The basic concept for the SMART scheme had already been around for some time before Mr Donovan approached us.

We are satisfied that the SMART scheme was developed entirely independently of Mr Donovan. We believe this will become clear when the case goes to court.

Shell U.K. Limited Public Affairs UKCM and Legal UKLG

November 1998