



PRESS DIGEST - British business - Feb 13

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Daily Telegraph

DRINK COMPANIES IGNORE PLEAS FOR SAFE-LEVEL LABELS

A voluntary government scheme to put warnings about the dangers of alcohol on bottles of beer, wine and spirits has only been taken up by 15 percent of UK drinks companies.

A report released next week will reveal the indifferent reception given to scheme, leading to speculation that the programme may need to be made compulsory.

"Despite responsible efforts from some brands we know progress has been disappointing", stated a Department of Health spokesman. "The government expects to see leadership from more of the major producers".

The Guardian

"CYNICAL, AGGRESSIVE": EXPERT VERDICT ON SUPERMARKET PRICES

An investigation has found that UK supermarket chains Tesco <TSCO.L> and Asda <WMT.N> raised the prices on hundreds of their products in the week before Christmas.

Prices were raised on products such as batteries, lightbulbs, medicines, Christmas drinks and children's toys.

Between 9th and 22nd December, Asda increased the prices of 2,000 products while Tesco increased 1,500 prices. Both retailers were running marketing campaigns that boasted of the high number of prices they had recently cut.

A former director general of the Office of Fair Trading, Professor John Bridgeman, called the price hikes "a cynical attempt to exploit demand".

FURY AT FSA'S PLANS TO INCREASE FEES FOR CITY FIRMS

UK financial services regulator the Financial Services Authority prompted complaints from those in the industry when it revealed that it intends to increase the amount it levies from financial institutions by ten per cent in April.

The FSA is funded by the annual levy which will increase from £413 million pounds to £455 million. The FSA said that two-thirds of companies will pay less next year because the majority of the levy increase will be focused on larger companies which require a greater amount of supervision.

The extra revenue will be used to fund an additional 460 regulatory staff.

"THIS WAS THE WORST TRAIN YOU COULD IMAGINE" - REPORT TELLS.

An independent inquiry into the breakdown of five trains run by the international rail service Eurostar in the underground tunnel between the UK and France has published a summary of its findings, highlighting the conditions which passengers aboard the train endured.

The breakdowns on December 18th 2009 left 2,500 people trapped in the tunnel and cost Eurostar ten million pounds in compensation.

Staff on one train, returning from holiday resort Disneyland, were said to "go into hiding" after the train broke down, leaving its passengers without information, lighting or air conditioning in temperatures of 25 centigrade for 11 hours.

Prepared for Reuters by Durrants.

The Times

SHELL INVESTIGATES INTERNET POSTING OF PERSONAL DETAILS

Royal Dutch Shell <RDSa.AS> is facing an angry reaction from staff, after the names, telephone numbers and contact details of 170,000 employees and contractors were made public on the websites of seven environmental groups and an anti-Shell website, Royaldutchshellplc.com.

The security breach comes two months before new regulations come into force that can see companies levied with a fine of up to 500,000 pounds for being reckless with employees' personal information.

Shell has stated that a prosecution under the UK Data Protection Act will result if the data is not removed.

O'LEARY FACES LAWSUIT OVER ATTACK ON EASYJET FOUNDER

O'Leary did not appear to take the warnings seriously and offered to settle the matter with a race around Trafalgar Square or "a bout of sumo wrestling". The easyJet owner stated that the personal nature of the attack has led him to seek damages.

O2 DIALS UP INTERNET CONNECTION WITH JAJAH TO STEAL MARCH ON ITS.

The mobile telecommunications operator O2 believes that its purchase of Jajah, an Israeli voice over internet protocol (VoIP) company, will help the firm outperform rival mobile operators and the current VoIP market leader Skype.

Mathew Key, chief executive of O2's parent company Telefonica Europe <TEF.MC>, said that the company will use Jajah to attack the international calling card market, currently worth 100 million pounds a month in the UK, rather than to slash mobile call costs.

Key will outline his plans for the technology at the Mobile World Congress industry trade show in Barcelona next week.

LLOYDS TARGETS SALES FROM 70 BILLION POUND CUMMINGS PROPERTY.

Lloyds Banking Group <LLOY.L> is looking to sell or spin off major assets from the failing 70 billion pound property empire amassed by disgraced HBOS corporate chief Peter Cummings.

A review process, currently in its early stages, will seek to reduce the amount of regulatory capital tied up in keeping the assets on Lloyds' balance sheet. Lloyds is expected to finalise its strategy by Easter.

Lloyds is also stepping up the sale of HBOS Integrated Finance, an investment business with stakes in about 60 companies. Integrated Finance is also part of Cummings' former empire.

The Independent

NEW LOOK JOINS LIST OF COMPANIES SCRAPPING IPOs

Fashion chain New Look became the third company in as many days to scrap a planned stock market flotation when it called off its 1.7 billion pound initial public offering Friday, blaming a lack of appetite among potential investors.

New Look had planned to raise 650 million pounds from an IPO, using the proceeds to cut debt and fund expansion in the UK and overseas.

Chief executive Carl McPhail said that the decision was taken in light of "considerable volatility in the equity markets."

RETAILERS, PUBS AND HOTELS WIN MUSIC LICENCE FEES BATTLE

The High Court on Friday upheld a ruling by a Copyright Tribunal against Phonographic Performance Ltd, the company that licenses music played in public venues and collects copyright fees on behalf of record companies.

PPL had significantly increased charges in 2005, doubling the fees paid by many outlets. The British Retail Consortium said that retailers could expect to save five million pounds a year following the High Court decision, while the British Beer and Pub Association said that pubs would save around three million pounds a year.

Both sectors can also expect substantial refunds

UK SET TO AGREE VAUXHALL FUNDING DEAL

According to the Secretary of State for Business, Lord Mandelson, a decision on government funding to help rescue the car manufacturer Vauxhall could be completed within weeks.

GM Europe, <GM.UL> which owns Vauxhall in the UK and Opel in Germany has published plans that include 9.6 billion pounds of investment over the next five years, with the aim of returning the group back to profitability by 2012.

GME is said to be looking for an investment of 2.9 billion pounds from European governments to facilitate a return to growth. Mandelson confirmed that the government is prepared to play a part in the rescue plans and that negotiations have started over what conditions could be imposed in return for government support.

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