

17-MAR-1995

FROM SHELL UK MEDIA RELATIONS



## DON MARKETING LIMITED - V - SHELL UK LIMITED

During the past few months Mr John Donovan, the Managing Director of Don Marketing Limited, and his father, Mr Alfred Donovan, have conducted a publicity campaign connected with legal actions which Don Marketing has initiated against Shell U.K. Limited. Shell believes the courts are the proper forum for a commercial dispute of this kind, and wishes to see matters resolved there. However, due to the growing number of untrue and often offensive allegations being made about Shell in the campaign, the company feels it appropriate to comment more fully.

Shell U.K. Limited is defending legal actions which allege that Shell UK wrongfully used two forecourt promotions - 'Nintendo' and 'Now Showing' - developed by Don Marketing without its consent. The allegation is untrue. Don Marketing has no case and the legal actions are being strenuously defended. Shell is always anxious to resolve disputes amicably where possible but in this case sees no alternative but to allow the litigation to take its course.

Mr Donovan appears to have little faith in his company's claims. Since initiating legal proceedings he and his father have adopted the unusual course of mounting a publicity campaign to ventilate allegations against Shell and members of its staff. Mr Donovan's father has recently founded what he calls a 'Shell Corporate Conscience Pressure Group' to promote this campaign.

Mr Donovan and his father have written to the directors of Shell UK and its parent companies stating that they plan to outline the allegations against Shell and its staff to the company's shareholders, the President of the Board of Trade, a number of publications and to 'Internet' users. They have also claimed that they intend to write to media and shareholders calling for the resignation of senior Shell managers, allege that they plan to write a book, have sent publicity material to several Shell locations in the UK and have attempted to assemble negative views of Shell from some retailers. Shell believes these actions are an attempt to sully Shell's reputation with sensationalist allegations, in the hope that the company may be coerced into settling false claims.

Don Marketing and the so called pressure group have repeatedly attempted to goad Shell into issuing proceedings against them for what they are doing. Shell has to date declined to do so. Shell believes that the invitation to take libel action has been made merely to generate publicity and to substantiate Mr Donovan's false assertion that Shell is a large company oppressing a small trader. Shell believes that any libel proceedings it brought would be likely to succeed. However, it doubts that Don Marketing and the so called pressure group would have the funds to pay Shell's costs and the compensation it would be awarded.

Shell would be in breach of its obligations to shareholders if it initiated legal actions, failed to defend itself, or participated in actions in which it would lose money even if successful. Shell will therefore be applying to the court for Security for Costs in the existing legal actions brought by Don Marketing, in order to ensure that Don Marketing can pay Shell's legal expenses in the event - which Shell believes likely - that Don Marketing's claims will fail in court.

Shell UK Media Relations, March 17, 1995