

TRR settles with retailers while N&S sues for £97m

The Retail Revolution, the ill-fated forecourt magazine sales scheme backed by Overdrive owner David Elias, is finally settling outstanding debts to retailers who signed up with the scheme.

The company, which was formed last summer to sell an all-new range of magazines through petrol stations, is believed to be settling in full with retailers who are still out of pocket following TRR's collapse, just months after its launch.

Over the past weeks, retailers who have been bothered have been urged to claim against TRR through the county court, and have found when they have applied that TRR has paid outstanding debts, the guaranteed profits – amounting to £150 per retailer – and costs.

The action is believed to have been precipitated by the formation of the Harpur Action Group which relates to Elias' Harpur Group, which was formed to claim on behalf of out of pocket retailers.

The scheme was intended to bypass problems retailers had with getting magazine supplies. The company, which was a partnership between Elias' Richbell Holdings and magazine publishers, Northern & Shell, ran into trouble when N&S titles were threatened by distributor Menzies. Richbell declared it was unhappy with magazine quality and the resulting unpaid bills for the magazines, and poor sales eventually broke the partnership.

Now, in the latest chapter of what may become one of the longest running disputes the industry has ever seen, N&S is suing Richbell for £97m

– a combination of unpaid bills and loss of potential profits from the scheme.

The N&S writ against Richbell was issued in the High Court and comes as Mr Elias plans to proceed with the floatation of his Richbell Strategic Holdings, a Richbell subsidiary.

The writ, which names Elias, Richbell and The Harpur Group alleges breach of contract. Northern and Shell, led by Richard Desmond, alleges that Elias and a group of his colleagues, which included disgraced former Guinness chairman, Ernest Saunders, conspired in a series of secret moves which led to the failure of the venture, the 'predominant intention' of which was to damage Desmond's company.

The Harpur Group has rejected the writ as ludicrous and wholly without merit.

UKPIA rejects HoC position on Stage II

The petroleum industry association, UKPIA has welcomed the recently published House of Commons Environment Select Committee report on VOCs for its endorsement of the Auto-Oil programme, the union of oil companies and motor manufacturers to deal with the clean air problem.

However, it does not follow the reports assertion that all new petrol sites should now be fitted with Stage II vapour recovery equipment, and from 1998 all large sites and motorway service areas should be retro-fitted.

"This question," said a statement from UKPIA, "is being explored by Auto-Oil programme and [we] believe it is important to await its findings this summer before reaching a conclusion."

The report endorsed unleaded petrol and slammed the promotion of leaded fuel by companies like Associated Octel which sells lead additives for fuels, despite evidence that lead in fuel harms children.

Forecourt show events lined up

This year's Forecourt Shop and Convenience Retailing Show at the NEC is offering free gifts to all pre-registered visitors. Those registering before the show date of June 6-8th will get a Clic Concorde Camera and a Bic automatic pencil.

The show, which majors on forecourt shop developments, will feature important announcements from the PRA as well as an awards programme directed at food retailing exhibitors. The AIRB New Product awards will be made to food retailers at the show. Details of the AIRB programme are available from Maria Del Greco on 0181-742 2828.

The Forecourt News Awards will be made at the Ben Petrol Pump Ball on June 7th, tickets are available from Carole Over at Ben on 0134420191.



Licence authorities look at lottery retail methods

Petrol retailers should be on their guard when dealing with lottery ticket sales. It is thought that local licensing authorities have been voicing concern of dereliction of duty as retailers struggle to cope with lottery ticket demand on Saturday afternoons.

So much so, that some retailers may be endangering their petrol licences by not taking the necessary steps to deal with the extra demand.

The success of the lottery has taken many retailers by surprise, and while dealers are profiting from the boom, licensees are less able to benefit having to yield a large part of lottery

profits to their oil companies.

Forecourt News can reveal that forecourts have emerged as shining stars among lottery retailers, with Shell's site at Diss in Norfolk the biggest lottery outlet in the country.

Shell has said it deals with the huge demand by dedicating a single till to petrol and shop customers and guiding all lottery customers to a separate dedicated till.

Meanwhile, National Lottery Instant sales passed the £100m barrier two weeks ago with 32 people already having won the top prize of £50,000.

BP launches pan-European retail automation system

BP Europe has standardised the management of its European forecourt network automation using a new relational database management system from software house, Informix.

The system is the culmination of three years work to provide a support system to its own sites as well as franchised outlets, and is the first to be implemented by an oil company across Europe.

The system, or Retail Automation Project, (RAP) will provide management of wet and dry stock and is intended to centralise a lot of site management tasks.

The system currently supports over 500 sites across five countries, the UK, Germany, Portugal, Spain and Holland. Site managers can select modules to suit their individual needs.

The system is based on the Solus modular system which comprises wet and dry stock control, stock replenishment, local account processing point of sale interface and reconciliation and site invoice matching.



RAP stars: BP automation system accesses Merchant, BP's management support system.

Elf ad campaign hits the road

Elf has launched a major poster campaign to promote its fuels, majoring on its success on the race track. The company has also bolted a Williams F1 car to an advertising hoarding on the Cromwell road in west London. The car, worth over £1m, is not alone. It has a 24 hour security guard for company.

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Briefly...

■ The Frost Group has announced another rise in profits, this time up 42 percent to £10.9m. The results are the fourth record for Frost since the company was refloated in 1991. Chairman James Frost said, "I believe that these figures demonstrate once again, in overall terms, not only the inelasticity to price and recession of road fuels in volume terms, but also our abilities in operating in the fuel retailing market place."

The company turned over £229m in 1994 from its 240 sites and its Blue Chip promotion business. Frost's net assets were valued at £54.9m. Shop sales were up 17.6 percent on 1993. Regarding the future, and hinting at a possible disposal, Mr Frost said, "Clearly, constructed as the market place is, there is no room for new entrants of size, or the capacity for existing smaller companies to gain critical mass, except by a substantial acquisition. The company is well placed to take advantage of any opportunities that may arise."

■ The Office of Fair Trading is studying the recent acquisition by Granada of Pavilion Services' motorway services areas. The deal, which was completed last week for £125m, gives Granada 25 percent of the MSA market. Pavilion had nine MSAs and the deal now gives Granada 36 sites. Pavilion was valued at £76.3m, but had run up £48.7m in debt. Granada's dominance could be short-lived however. 24 new MSAs will be built in the near future.

■ Margram is currently rebranding its sites in the Berkeley livery. The company is using Oldham signs and a new design of forecourt canopy. Margram and Berkeley, a property subsidiary of Hambro's, opened their first site last year. The network currently comprises 20 sites, all company-owned.



■ Don Marketing, the sales promotion agency engaged in a dispute with Shell over alleged stolen ideas, has issued a writ for libel against Shell following the company's statement relating to the affair and to Don's Shell survey. Shell has said it stands by its statement and will contest the action.

■ Palmer & Harvey McLane's Proretail '95 trade exhibition takes place on May 2nd at the Chateau Impney Hotel near Droitwich. and features displays from most of P&H McLane's suppliers.

■ The European Service Station Information Bureau has published its ESSIB Retail Directory For Europe 1995 and is offering a year's subscription of its ISSI newsletter for a special offer price of £95, available up until the Forecourt show on June 6th. After this, subscriptions will be available for the full price of £150. The company will also be publishing a further title on Forecourt Computing at the show. Contact David Egan on 0181 742 2828.

■ Fina has announced it is the first company to use a cheque guarantee service so it can accept business cheques without the risk of bad debt at its company-owned sites. The company has linked up with Chequespread plc and intends to offer the service to independent dealers in the future.