MR JOHN DONOVAN

Over the last four years, Mr John Donovan, who has a company called Don Marketing UK Limited, has made various claims that he or his company own rights in respect of several Shell UK service station forecourt promotions. His most recent allegations have been that his company invented the SMART loyalty programme and that he or his company should be companied for its use.

The claim has been most carefully investigated and discussed in correspondence with Mr Donovan and his solicitors, and Shell UK is satisfied that it is entirely without submance.

In April 1994 Shell UK paid Mr Donovan for a contribution to one forecourt promotion (called 'Make Money'), after it was established that he had some rights in respect of the development of the concept. However he then proceeded to claim rights to two further promotions (called 'Now Showing' and 'Nintendo').

Mr Donovan's claims were settled on terms which remain confidential. However, Shell UK can confirm that the reasons for the settlement were not related to the marks of Mr Donovan's case. Rather the settlement took place because Shell UK viewed it as a waste of resources to continue with an expensive legal dispute.

Mr Donovan has recently issued a writ against Shell UK in respect of SMART. We intend to fight his claims vigorously in court.

Shell UK Madia Raintions 21 April 1998