

Shell U.K. Limited

Downstream Oil

Shell-Mex House Strand London WC2R 0DX



Mr J Donovan
Managing Director
Don Promotional Games & Contests
Don Marketing Limited
St Andrews Castle
33 St Andrews Street South
Bury St Edmunds
Suffolk IP33 3PH

Telephone 071-257 3034 direct line
or 071-257 3000 switchboard
Telex 22585 Shell G
Fax group II/III 071-257 3920
Telecom Gold 81-SUK 001
our ref
your ref UORM/13
date 1 July 1993

Dear Mr Donovan

SHELL NINTENDO PROMOTION

I have been discussing with Andrew Lazenby the various letters received from you in respect of this promotion, which are couched in highly critical terms of both Mr Lazenby and Shell.

I gather that you approached Mr Lazenby in June 1992 with a number of promotional proposals for consideration by Shell, one of which was a promotion involving Nintendo Games. Later in 1992 you submitted further proposals, including some detailed in a colour brochure, not this time involving Nintendo.

In February 1993 you faxed to Mr Lazenby two further proposals, one of which was a repeat of your initial Nintendo proposal.

Shell, as I am sure you are aware, receives numerous promotional proposals from many companies, of which yours is only one. In the last twelve months a number of proposals from several sources have been put to Shell in embryonic form, also suggesting an involvement with Nintendo. Shell's decision to run a promotion based on Nintendo was made as a result of contact from the Business Development Partnership, acting as Nintendo's agents in the UK. They presented to Shell a fully developed plan for that promotion, which Shell for a number of reasons, not the least of which being that it was in a very advanced stage of development, found particularly attractive.

It is clear from your letters that you feel aggrieved that Shell did not take the decision to progress your own proposal involving Nintendo. I am sorry you were disappointed in this way, but I have to say it is no reason to contend, as you are doing in your correspondence, that there was any breach in the high standards of ethics and professionalism always employed by Shell in such matters.

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I know that in the past Shell has enjoyed a very good business relationship with your company and has worked very successfully with you in respect of some of their promotions. We may well do so again. However, I have to say that this will not be the case if you continue to pursue the line taken in your recent correspondence, calling into question Mr Lazenby's business integrity and Shell's good name.

Yours sincerely

David J. Watson

David Watson
Marketing Communications Manager



Promotional Games & Contests

Don Marketing UK Ltd
St. Andrews Castle
33 St. Andrews Street South
Bury St. Edmunds, Suffolk
England IP33 3PH
Tel: 0284 763157
Fax: 0284 760529

DIRECT LINE: 0284 388308

SJD/JAD/H32

5th July 1993

Mr D Watson
Marketing Communications Manager
Shell U.K. Limited
Downstream Oil
Shell-Mex House
Strand
London WC2R ODX

2 Page Letter Faxed
To: 071 257 3920

Dear Mr Watson

RE: SHELL NINTENDO PROMOTION

I acknowledge receipt of your letter dated 1 July, 1993.

I am disappointed that, perhaps out of misguided loyalty to Mr Lazenby, you have chosen to misrepresent the comments made in my letter, by stating that I called into question Shell's good name. My remarks were clearly directed at Mr Lazenby. My high regard for Shell should be obvious from the comments in the penultimate paragraph of my letter.

Furthermore, given the information in my letter, I do not see how you could draw any other conclusion than that his behaviour in this matter has been thoroughly unprofessional.

Our Nintendo proposal was made just over a year ago. I note that you do not deny that it was the first proposal received in respect of a Nintendo themed promotional game. Subsequent proposals which were not promotional games are immaterial.

If Mr Lazenby had remembered our numerous communications on the matter at the time that Nintendo's agents made their presentation, the situation could have at least been carefully considered by him and his colleagues. However, due to his forgetfulness, this did not happen.



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IMPORTANT: All business undertaken in accordance with our Trading Conditions, a copy of which may be obtained on request

Don Marketing is a business name of Don Marketing U.K. Limited
Registered Office: 7 Holgate Court, Western Road, Romford, Essex. RM1 3JT. Registered in England No: 2442694

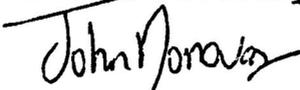
The "Big Idea" we presented was distinctive, original, and appropriate, being the first to propose a Nintendo theme with Nintendo product prizes, including "Game Boy", for a petrol sales promotional game. As such, it represented commercially valuable information, which is why we presented it on a confidential basis. Our view of its potential value as a highly appealing game for petrol promotion, is confirmed by the fact that it is now running on your forecourts.

It appears you are satisfied that the way the matter has been dealt with by Mr Lazenby does not even merit an apology. Instead, we receive a blatant threat to try to frighten us off. This will not succeed. In any event, we would not wish to present speculative proposals when we have no confidence they will be handled on a proper basis.

Given the stance you have decided to adopt, I will mail a letter to Mr David Varney later today, so that he is fully aware of the situation, with a request that someone from your senior management investigates the whole affair.

I doubt whether a fair assessment of Mr Lasenby's role in this matter will reach the same conclusion as you have about his professionalism.

Yours sincerely



John Donovan
Managing Director