

Fleet St fears price war as rival accuses Times

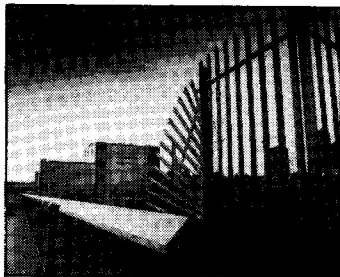
By Hilary Robinson

Fleet Street's fears of a rates and cover price war sparked by News International are about to be realised, with rivals claiming The Times is already cutting its advertising rates.

"We believe The Times is selling advertising at lower rates now," says Harry Roche, managing director of the Guardian. "Not only has the balance of power changed on Fleet Street, but so has the competitive balance."

Yesterday the Guardian sent out letters to staff stressing the urgency of putting the paper on a more competitive footing with News International.

The Guardian's letter contained the now-familiar pleas for



Times: Under fire on rates

new technology, sensible manning levels, direct inputting, and continuous production achieved through the sort of no-strike deal Murdoch is negotiating with the electricians at Wapping.

In addition, the Guardian wants to put a 3.5 per cent

ceiling on pay rises. Talks with the unions start in three weeks, and although Roche says he hopes the job cuts will be voluntary, compulsory redundancies are possible.

"I can't put figures on the cuts I'm seeking, but we're hoping to run down staff levels over a two-year period before moving to our new plant at the Isle of Dogs," says Roche.

Elsewhere on Fleet Street, Express Newspapers has already bitten the bullet, with target staff cuts of 30 per cent, while the Daily Telegraph, under tough new management, will be looking to at least match the savings rivals achieve. Associated Newspapers declined to comment on its plans. □



Scratchcards: Massive comeback

Don plans huge bingo promotion

By Jane Sturges

Sales promotion company Don Marketing is talking to a number of top companies about what is understood to be the biggest bingo scratchcard-type promotional game ever to be devised for the UK market.

Companies in discussion with Don Marketing are thought to include Sketchley Cleaners, Woolworth, Express Newspapers and Bass Charrington. The concept is said to involve a group of businesses participating in the promotion at the same time — it is understood that the game could involve 500 million cards and 50 million prizes.

"We have not got any order, nor do we expect to receive one for such a game this year," says Don Marketing chairman John Donovan. "However, we are always in discussion with companies."

Don Marketing has been responsible for some of the best-known promotional games for companies such as Shell, to which it has supplied 500 million game pieces internationally over the past two years.

But the decision to launch such an enormous game in the UK would be a surprising move less than a year after a game launched by Esso had to be recalled when it went wrong. □

Whitbread beer boss goes to US

By Margaret Hood

Whitbread beer brands director Peter Bell is moving to the US to become vice president, corporate relations, of the company's growing North American subsidiary.

Bell, 31, will leave London in March after five years. His replacement will be announced later this week.

During his time at Whitbread in London, Bell has been responsible for the marketing of such brands as Heineken, Stella Artois, Trophy and Kaltenberg.

Whitbread's North American operation is concerned mainly with wine and spirit brands through its Buckingham Wile and Fleischmann divisions. The company also owns All Brand Importers in conjunction with Nabisco, which imports beers.

Whitbread established its North American subsidiary as a separate division in 1984.

In his new role Bell will report to president John Anderson, with responsibility for a corporate relations programme and for liaison with Whitbread PLC in London. □

Wilkinson parent folds international subsidiary

By Nick Hall

Wilkinson Sword's US parent Allegheny International has closed down the UK-based international group it set up in 1982 to service the corporation's worldwide interests.

The move, plus further decentralisation of the UK operation, will mean the loss of 100 jobs. Former chairman of the international group Chris Lewinton will now become a non-executive director of Wilkinson Sword as well as pursuing his own interests.

The group was the central body responsible for supervising Allegheny's Rowenta and Sunbeam appliances and technological interests outside the US, and for servicing the major Wilkinson Sword consumer operation globally.

"These three businesses will now report directly to Pittsburgh," says president and managing director of Wilkinson Sword, Alan Fletcher.

"The main body of staff who worked in the division have either moved into the individual businesses or else they have gone."

Fletcher says this latest move reflects the corporation's move



Fletcher: Decentralising move

towards decentralisation: "I think the greatest values of decentralisation are that it is more cost-effective and it encourages better communications."

This is the second major restructuring in six months for Wilkinson Sword. In August last year it appointed three new divisional managing directors to co-ordinate its worldwide marketing. □

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