

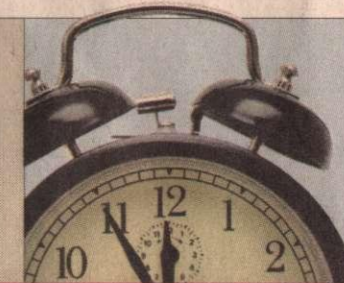
FINANCIAL TIMES

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'The next stage in recovery must be a strengthened European growth strategy'

Gordon Brown Comment Page 13



Wake-up call
UK credit rating fears should sound alarm for America
Comment Page 13

World Business Newspaper

News Briefing

Ex-Morgan Stanley trader fined £140,000

A former Morgan Stanley trader was fined £140,000 and banned by the City watchdog after he traded ahead of clients to profit from their orders. It was the third trading-related punishment linked to the bank by the Financial Services Authority in the past month. **Page 17; Lombard, Page 18**

Iron ore ruckus looms

Chinese steelmakers and miners are heading for a showdown over ore prices after Rio Tinto agreed to cut prices by a third for Japanese steel mills, much less than the reduction Beijing is demanding. **Page 17; Lex, Page 16; Serious cracks, Page 34**

Brown changes tack

Gordon Brown will today seek to shift the political agenda from the focus on MPs' expenses, with a call for European reforms to fight the recession. **Page 2; A void to fill, Page 11; Gordon Brown, Page 13**

Online music fillip

Online music services received a boost to their business model after the UK royalty collection agency cut the charges they must pay artists for playing a track. **Page 3; EU music rights, Page 5**

City exits on cards

City finance professionals are so worried about the future that nearly 30 per cent are planning to leave London, according to a survey. **Page 4**

Sarkozy climate outcry

President Nicolas Sarkozy's desire to appoint an outspoken climate-change sceptic to a new French super-ministry of industry has drawn strong

Surprise departure as Shell set for revamp

New chief tackles issues caused by oil price fall

Head of gas and power steps down from board

By Ed Crooks and John O'Doherty

Royal Dutch Shell is poised to announce a wide-ranging restructuring as its new chief executive starts to tackle the problems caused by the oil price plunge.

The changes began yesterday with the sudden departure of Linda Cook, head of the gas and power division and a former contender for chief executive, who had left the company "by mutual agreement", Shell said.

Her division is expected to be merged into the exploration and production business under the restructuring, as part of a drive to cut costs and improve operating efficiency.

She had previously said she believed gas and power worked better as a separate unit.

more than 30 per cent of senior managers were expected to go.

Shell refused to comment on any of the restructuring plans last night.

The fact that Mr Voser, who was investors' favoured choice as chief executive when he was appointed last year, has been given a mandate by Shell's board to make far-reaching changes before he is formally in post indicates a determination to address the company's problems quickly.

Shell's debt is set to rise sharply this year, albeit from a low base, as it funds its ambitious investment programme at a time when cash flows are under pressure.

The company also declined to comment on the sudden departure of Ms Cook, who steps down from the board next Monday.

Ms Cook will forgo a loyalty bonus of more than £800,000 by leaving, although the payment she receives on departure will offset that loss. The company refused to give details of the payment.

New justice First Hispanic nominated



Mandelson calls for GM to save two UK plants

By John Reed and Jean Eaglesham in London and Daniel Schäfer in Frankfurt

Britain has intervened in the political manoeuvring over the future of Opel/Vauxhall, explicitly linking its financial support for the spin-off of General Motors' European operations to the future of two UK car plants.

Lord Mandelson, business secretary, said he had held "substantial telephone conversations" yesterday with Fritz Henderson, GM's chief executive, and Carl-Peter Forster, chief executive of GM Europe, and had "made clear the UK government's commitment to all of Vauxhall's plants".

Britain is lobbying to prevent the German government from bowing to election-year pressure with a pledge to protect domestic jobs at the expense of Vauxhall's UK plants. "We're pedalling hard to get a commercial solution and not an overtly political one," a senior government insider said.

Lord Mandelson yesterday confirmed he had met Italy's Fiat and Canada's Magna, which are competing for a stake in GM Europe.

The UK move came ahead of a decision by Berlin today to name one or more preferred bidders for GM's European arm. America's largest carmaker is expected to file for bankruptcy by next week.

