

## Trust members vote for "positive abstention" at EGM

Supporters' Trust members met at the County Ground on Nov 22<sup>nd</sup> to decide how to vote in the forthcoming EGM. The vote is a formality in some respects, in that it is assumed the "consortium" whose members are standing for election to the interim board already have the backing of the majority shareholder, Sir Seton Wills, and so will win the day, irrespective of how anyone else votes. Nonetheless, this was at least an opportunity for the fans, via TrustSTFC, to make their voice heard and perhaps more importantly to question two of the main protagonists - both Danny Donnegan, representing the current board, and Cliff Puffett, representing "the consortium" kindly agreed to speak and answer members' questions. In addition, Peter Rowe, the "man in the middle" addressed the meeting and answered questions (as far as he could) on the current state of the club. One thing all parties seemed to agree on is that the club is in a dire financial situation, losing over £100,000 a month, and will need a significant injection of funds to remain viable.

### Round one: "The Consortium"

Cliff Puffett spoke first on behalf of the consortium, although he was careful to say that he was attending the meeting as a member of the Trust and that he was not actually part of the proposed interim board. He would not talk in too much depth as to the priorities of the consortium as he said the consortium currently did not know the exact state of the club's finances and hence could not make any firm plans or commitments until they had had a chance to study these in depth.

He restated his enthusiasm for and support of the Trust, but was put on the spot by members when he appeared to back-track on what many felt was a commitment at the



Danny Donnegan delights Trust members with an impromptu rendition of *My Way*

launch meeting to guarantee the Trust a place on the board if the consortium took over. Now he claimed he had never made an unconditional offer and that he had only said that the Trust would get a seat on the board if it could raise sufficient money. This was one of the more controversial points of the night as many members were adamant that in August he had made an unconditional offer of a place on the board automatically if the consortium got in, irrespective of money. Quite a few people felt he was now going back on this promise and told him so.

In answer to questions, Mr Puffett confirmed that Sir Seton Wills still has a majority (69%) shareholding and gave his/the consortium's view of the original deal struck with Terry Brady. According to Mr Puffett, "the Brady Bunch" promised £10 million investment in the club:

- £2m to pay off debt
- £2m for players
- £6m to buy out the Wills family's shareholding and pay off debts owed to them.

Mr Puffett said the deal was done with Swindon Town Properties Ltd, the development company formed

by Terry Brady, Danny Donnegan and Ian Blatchley to develop a new stadium on the Front Garden site.

In response to further questions, Mr Puffett expressed his full support for Roy Evans and his management team and said he hoped that they would stay at the club. He went on to restate his belief that the club cannot survive on its own and that it needs to be involved in a development with extra facilities to generate more revenue. In this regard, he said that he believed the consortium would seek to re-approach the council regarding preferred developer status for the Front Garden.

### Round two: Danny Donnegan

Right from the outset Danny Donnegan made it clear his involvement in the club was at an end. Having been ousted from the board "on a technicality" as he put it, he does not intend to fight on and has effectively conceded the battle for the club to the consortium. If nothing else, this made his making the effort to travel up from London especially to address the Trust meeting all the more commendable.

Mr Donnegan started off (and continued) in forthright mood. He admitted he had initially had no interest in football and had first got involved solely as a property developer interested in the profits to be made from developing the Front Garden.

However, he said as he was forced to become more involved in the “football side of things” as Terry Brady lost interest, he developed an enthusiasm and love for Swindon Town as a football club.

He was dismissive of the

consortium’s proposed investment of £1 million, describing it as being like a “bun to a bear” (which we think means like a drop in the ocean). By way of contrast, Mr Donnegan claimed he had secured outside investment of £3million to be paid this autumn. A large part of this was earmarked for Roy Evans to strengthen the squad. However, once the preferred developer status was removed, this money was no longer available. Nonetheless, he continually stated that he reckoned £3 million was the least required to keep the club viable and that he hoped the consortium had more available than just the £1 million they were currently pledging as when the club is losing over £100,000 a month, that would not go far.

Donnegan also accused the consortium of lacking ambition – he stated that his proposed plan for the club was to aim for Premiership/1<sup>st</sup> Division status, which was why he had brought in Roy Evans and Razor Ruddock. Donnegan said he felt the consortium lacked this ambition, that they were aiming only to remain in the 2<sup>nd</sup> division and put a chill down most members’ spines when he pointed out that if you aim for the

Premiership and miss you end up in the 1<sup>st</sup> Division, which still isn’t bad, whereas if you aim for the 2<sup>nd</sup> and miss you end up, well, like Oxford. He defended his decision to sack Andy King in favour of Roy Evans, saying King had not saved us from

few weeks, seriously undermining the ability to raise new investments.

In response to questions from members, Mr Donnegan said he had tried to talk to the consortium to find a compromise deal but had been rebuffed. He cited as an

## The EGM – so what happens now?

- Dec 7<sup>th</sup> – an Extraordinary General Meeting (EGM) will be held at the County Ground to elect an interim board – five candidates are standing
- All Swindon Town shareholders can attend and vote at the EGM but as Sir Seton Wills has 69% of the shares the result is a foregone conclusion.
- The interim board’s main job is to hold an Annual General Meeting (AGM) to elect a new set of directors. The AGM is likely to be held at the end of January.
- The AGM will be open to all shareholders (including the Trust) but Sir Seton Wills’ vote will effectively decide the issue.
- The new board which will be elected at the AGM may not be the same people who are standing for the interim board, but they will most likely be members or representatives of the consortium.
- Only once a full board has been elected at a proper AGM can the club begin to rebuild towards stability, although the interim board can begin to get some things moving again.

the 3<sup>rd</sup> division, he had nearly put us in the 3<sup>rd</sup> division.

Mr Donnegan was clearly bitter at the manner of his departure from the club and what he saw as a conspiracy to oust him by the consortium, some people in the club, and some officers of the council. He pointed out that when he came in the accounts were in such a bad way, it took a professional auditor 6 months to sort them out. He then set out his version of events surrounding STPL’s loss of preferred developer status – he and Ian Blatchley had had meetings with the council and felt the council were dragging their heels on the Front Garden development, so they decided to press for preferred developer status to force the Council’s hand, as there was no point putting money into something that was going nowhere. This would also act as a strong indicator to other investors in securing additional funds for the club. However, he claimed that the consortium, in concert with some council officers, had deliberately sought to undermine STPL’s position with the council and had been instrumental in a “whispering campaign” which had led to the status being removed after only a

example driving over from Essex for a 2.00 meeting which got cancelled at 1.50. He also said he had offered them the chance to buy the club if they could prove they had the money to invest, but claims he was told “Eff off, we’re taking it anyway”. Later he was again asked whether

there was any prospect, even at this late stage, of him negotiating with the consortium and he half jokingly replied “With knives or pistols?”

In reply to further questions, he assured the meeting that Roy Evans’ and Neil Ruddock’s contracts were not linked to the Front Garden development but to the success of the club. However, they had been promised a shareholding in the club, if the development had been completed and subject to a satisfactory team performance. He made it quite clear Roy Evans had been attracted by his vision of taking the club back to the Premiership on the back of the new stadium development and that he did not think Evans was interested in managing a club that would settle for less than the Premiership. Having said that, he reiterated his public statement that he hoped Evans and Ruddock would stay and finish the good work they’d started.

Another member asked about the status of Bryant Homes’ debenture of £1.2 million. Mr Donnegan confirmed that the original agreement was between Bryant Homes and STPL but as the money had been passed to the club, the debenture was now with the club and the money would need to be

repaid. He also confirmed he personally had put in money, but promised he would not be “spiteful” in seeking to have the money repaid immediately which might cause an imminent cash crisis. Given his obvious bitterness at the whole experience, and his initial statement that he had not started out with any interest in football but had grown to enjoy the football side of things, Mr Donnegan was asked if he would consider getting involved in football again. He replied that he had already been approached by two other clubs but wouldn’t say if or how he had responded to these offers or which the clubs were.

### Round three: Peter Rowe

The final speaker of the evening was Swindon Town Chief Executive Peter Rowe who has been left with the unenviable task of trying to run the club without directors while steering a straight middle line between the two warring factions. Echoing a frequent call made by the Trust, Mr Rowe called for some stability – when the new board takes office, he will have served under four chairmen in 18 months! He explained how he and Roy Evans were supporting each other in running the club at the moment. There is a strict legal requirement to be even handed with both sides and advice has been taken from the Football League to ensure the club complies with the requirements. As an example, anybody with a 20% shareholding has the right to attend matches and functions on an executive basis, which is why members of the consortium were seen in the Directors area at the QPR match.

Moving onto the matter of the accounts and AGM, Mr Rowe explained he could not give detailed figures until the accounts had been

signed off (which is not possible at the moment as without directors there is no-one to sign them off), but in general terms:

- The accounts for 1998 have been signed off
- The 1999 accounts have been

## Candidates for the interim board

There was some surprise at the list of candidates standing for election at the EGM. So to clear up any confusion, here’s your “cut-out-and-keep” guide to the famous five:

**Willie Carson** – ex-jockey, TV commentator and investor in STFC.

**Nick Prescott** – MD of Dunwoody Sports Marketing who produce Swindon match programmes among others. The legal action which forced out Danny Donnegan was launched in his name

**Wendy Godwin** – widow of former director Peter Godwin

**Bob Holt** – former chief executive of STFC and sometime spokesman for the consortium

**Mike Squires** – former STFC company secretary, standing again for election as company secretary

completed and are waiting to be signed off by the directors

- The club is losing about £1.2 million a year, although this is an improvement on the previous loss of £2 million a year. This obviously gives rise to concern that the consortium’s proposed initial investment of £1 million will not be sufficient.
- He agreed with Mr Donnegan’s estimate of about £3 million being required as an initial investment to get the club viable again.
- He is not allowed to show the accounts to anyone (including the consortium) until new directors are appointed at the EGM
- Revenue from ground advertising income was up by 20% although conferencing and banqueting income was down on previous years.

Mr Rowe said he couldn’t say why an AGM had not been called for so long and suggested that maybe the Administrators should have called one. He said Terry Brady had been advised by the auditors to call an AGM but had apparently chosen not to do so.

Mr Rowe finished by affirming that he believes that the involvement of fans, in the shape of the Trust, in the ongoing battle for the club’s survival was “critical”. He promised to continue to give the Trust every support he could and thanked the Trust in turn for the support it had given the club in a difficult time.

### The verdict: Trust members vote

Finally, as a quorum of members was present, it was time to decide how the Trust should vote with its shares at the EGM. Members were given three options to vote for:

- To vote to elect all five proposed candidates for the interim board

- To vote against all five candidates
- To “positively abstain”

The latter option was phrased as a “positive abstention” (as opposed to abstaining because we don’t care or can’t be bothered) as the point would be made that the Trust felt that not enough was known about the five candidates standing and the plans of the consortium to endorse the interim board. The meeting voted overwhelmingly for the third option (positive abstention), but it was emphasised that the Trust was keen to work with whoever was in charge in the best interests of the club.

In conclusion, we probably learned more about the true extent of the crisis facing Swindon Town Football Club in a couple of hours than we had in the past six months. Big thanks to Cliff Puffett, Danny Donnegan and Peter Rowe for making the effort to attend and for being brave enough to open themselves up to some vigorous questions. Even bigger thanks to the Trust members who were able to attend, and to all of you who support the work of the Trust.

## TrustSTFC AGM

It's not just the club who can have AGMs and so on. Ever keen to ensure our members don't miss out on the fun, TrustSTFC is holding its first ever AGM on 7th Feb 2002. Like most AGMs, the main purpose of the meeting is to elect a board for the Trust which will take over the running of the Trust from the current Working Party. There are (at least) 12 positions to be filled, 8 of which will be elected – once elected the board can then co-opt another 4-7 people, making a full board of between 12-15 in total. Once the board has been elected, board members will vote on who will fulfil what role (e.g. chairman, treasurer, press officer etc).

The board is open to all paid-up members of the Trust to stand for election – not just members of the current Working Party – so if you think you could be an effective member of the Trust board all you have to do is apply in writing by 20<sup>th</sup> December 2001<sup>1</sup>. Anyone wishing to be nominated should provide a resume of up to 200 words, stating your experience/skills etc. and why the rest of us should vote for you! Formally all candidates have to be nominated for election, but if you can't find two other members to nominate you, it has been agreed that the current Working Party will formally nominate anyone who takes the effort to stand for election.

Once the nominations are in, ballot papers will be sent out to members early in the New Year, together with any resumes candidates have sent in. Members will then have a few weeks to ponder the various candidates' merits before returning ballot papers by 24<sup>th</sup> January. Once all the papers are in, the votes will be counted up by neutral overseers at Supporters Direct and the results will be announced at the AGM.

So, this is your chance to shape the future of the Supporters' Trust and Swindon Town Football Club – stand for the Trust Board and make the future!

<sup>1</sup> Nominations will be accepted by post, email or fax

## Fill yer stockings!

Yup, it's that time of year again and once again the problem arises of what to buy the nearest and dearest for Christmas. What better way to light up your loved ones' lives come the happy morning than by putting a TrustSTFC mug or drill top under the tree for them? OK, so maybe it's not quite the pearl necklace or PlayStation they asked for, but the Trust has a variety of salesgoods on offer which would make nice stocking fillers. More details, prices and order forms from the Trust website or pop into the office before any home match and you too could be the proud owner of a TrustSTFC polo shirt (or mug or drill top)!



From left: excellent value at only £4.00 a throw (not literally, they'll break) the Trust mug will grace any Christmas breakfast table, while the drill top, starting at £38, is this festive season's must-have. Or for that classic look, a TrustSTFC polo shirt is unmissable at a mere 15 quid. You'd be mad not to!

## Trust Office open for business

After months of hard work, the Trust office was formally opened by Roy Evans and Peter Rowe the day before the first round tie against Hartlepool. The office (the old ticket office near the County Ground Hotel entrance for those who don't know) will be open for two hours before and half an hour after home matches<sup>2</sup> (only open before midweek matches) so feel free to drop in and say hello. More importantly, encourage your mates who haven't joined yet to drop by and join. We've got a kettle in there now, so they may even get a free cup of coffee for their 25 quid. Bargain!

## Trust membership to run annually

The Trust Working Party has reviewed the membership policy. Originally the membership ran

<sup>2</sup> NB The office will not be open after midweek matches although it will still be open for two hours before

August to July of each year, which would have been unfair on people who joined in, say, February. From now on, membership will run for a full year from the date membership was taken out, as with most membership or subscription based groups. This change will be retrospective.

## Tell us what you want

One of the most important aims of the Trust is to give the fans a voice and so far we've been effective in this aim – whether it's been representing the fans' view in the media; raising a pledge of support to try and keep Roy'n'Razor at the club; or giving fans the chance to question the main protagonists in the boardroom battles.

But we want to know a bit more about what you think – the Trust is a democratic organisation, run by the fans, for the fans, and it's what you think that counts. So, if you have an issue that you feel strongly about and that the Trust should be campaigning on - let us know! This is your Trust, here to make your voice heard, so if it needs saying, speak out.