

VANFEST LTD response to VWT2oc posting on Facebook

Dear VWT2oc Members

If you are wondering what all the fuss is about these are the actual proposals which were presented at the AGM

VANFEST Ltd PROPOSAL. (14/05/2011)

- VANFEST Ltd & T2oc to become totally independent organisations.
- The brand name 'Vanfest' be transferred from the stewardship of T2oc to Vanfest Ltd
- Existing Discount arrangements for T20c Members are kept in place foryears or lifetime of the Vanfest Event. (actual detail TBA & contracted)
- The Event "VANFEST" will continue in its entirety at the Malvern Show ground, or if needs arise, another location.

Our (Vanfest Ltd) proposal presented at the AGM was based on a pre existing VWT2oc proposal made on 27/2/2011 following a VWT2oc Committee meeting on 19/2/2011

Vanfest Update and Review VANFEST Ltd replies are in RED

1 Vanfest Ltd approached the club on 14th May at the AGM with a proposal to purchase the brand name 'VANFEST' outright. The sum offered was a one off payment of £500.

For the record;

I did NOT offer to buy the Vanfest Name for £500. In a response to a question from the AGM floor as to what we considered the Vanfest name to be worth, my reply was; that, in the opinion of our solicitor, that (without the organisation, Company Intellectual Property & venue to go with it) the Vanfest name was WORTH £500.

In a similar vein the (then) Chairman had already been hawking the name around other organisations & in his opinion it was worth £100k. - This is where our opinions differ.

2 They said they could not keep on debating with the club over the true ownership of the Vanfest event, and arguing about members discount and camping arrangements each year.

True

3 They confirmed that things will 'remain exactly as they are and nothing will change for the club' – but that Vanfest Ltd would 'be in control of its own destiny'.

What we actually said was – Existing Discount arrangements for T2oc Members will be kept in place for lifetime of the Vanfest event (actual detail TBA & Contracted) - as per our proposal document. But yes, we do want to be in control of our own destiny

4 This raised alarm bells on the club committee's part because:

a) the committee and members know that the brand name is worth far more than £500 as the committee has had expressions of interest over the years from large organisations to purchase it (the name only – they would provide their own events management to run it).

b) If 'nothing will change' for the club this is extremely bad news for members. Currently the committee is very pro active and fights long and hard to obtain the (recent: since 2009) entry discount and designated camping area for them. Depending on the makeup of future committee's this could quickly be lost as Vanfest Ltd refuse to enter into a contract to cover these benefits.

This is what raises alarm bells with us too & one of the reasons why we want control of the trademark. We are fed up with being threatened with this one.

We have already said we will ensure that members interests will continue to be honoured but, we can only do this if we are solvent! & not being held to ransom over the use of our own name. Members have still been given significant discounts even though the event is loosing money – this has not helped our current situation.

5 Members present at the AGM rejected this offer. Their feelings were that £500 is an insult. They also felt strongly that Vanfest was set up as the club's own show and should not be separated. Many members have contacted the committee since and confirm this.

Already covered in 1 . There is no reason why the club cannot still be an intregral part of the event but from a corporate buisness point of view they must be separate and independent. The club has no means to produce or run the event at the size it has now become. It is an international event and now needs a massive amount of resourses to run it. It has been a massive struggle to manage to keep it going. We must be allowed to develop the organising group so that it is sustainable into the future & that can only be done if it is restructured into a proper Events Company with its own brand & structure.

6 An alternative was suggested at the meeting by the club committee and agreed by members as a starting point for negotiation.

The club keeps ownership of its main asset: the brand name VANFEST.

Vanfest Ltd is offered a long exclusive lease on use of the brand name (10 years suggested).

No money changes hands – BUT club members get guaranteed contracted annual benefits:

a) 33% reduction on total show admission price (inclusive of entertainment & any additional charges which may be added in the future).

b) exclusive members only camping area at the show

c) prime location for club promotion stand at the show

This does not give us independence or control of our destiny or any confidence that we will be able to build any value into our company. It also means we still do not get any significant help with the running of the show from the club (we will continue to have to pay for these services). Our calculation is that will cost the company up to £41k per annum for the privilege of this arrangement. So yes significant money does have to change hands & we get nothing out of this deal other than another ten years of what we have just been through – no deal

7 Members at the AGM also raised the all important question regarding the ownership of the show itself. The club and Vanfest constitutions show that the club owns Vanfest but this is not adequately reflected in the way the two companied were set up.

True. This is why this must be sorted once and for all

8 At the AGM a deadline was decided by those present of 31 December 2011 for an agreement to be reached and all necessary work on this issue to be completed. A member also proposed that no one should sit on both the club and Vanfest committees.

The member made a comment not a proposal. There was no vote on this, there was also other comments from the floor regarding Committee make up and people joining the committee

9 At the first committee meeting following the AGM it was agreed that: temporarily, no Vanfest Ltd representative would attend club committee meetings unless a corresponding club committee representative could attend Vanfest Ltd committee meetings. This arrangement was requested from Vanfest Ltd following the AGM but was never taken up by them. The club committee felt this was

unfair and that any Vanfest Ltd representative who sat on the club committee during this time would be badly compromised.

Yes, it also ensured that the representative took no part in the process we have now seen come to fruition. Or participation in other club matters they would have been involved with.

10 Vanfest Ltd submitted a report at this meeting stating clearly that:

a) they were not prepared to consider the club's offer.

b) They said they must have control of the brand to develop their business.

c) They were unable to explain 'why' a long lease with freedom to develop things as they wished would not satisfy this desire.

a) Yes based on it being of no value or help to us as an organisation that wants/needs to develop

b) Yes

c) Plenty of reasons for this contained in very comprehensive Agm report. It will not allow us to develop the business as we need to.

11 The club committee decided they must first establish the full facts of the set up of Vanfest (the show which started in 1993⁴ and was integral to the club) and Vanfest Ltd (an Events Management Company set up secretly by some members of the club's committee in February 2004 and announced as a done deal at the June 2004 AGM. Members are on record as being shocked, as the club had also secretly been set up as a Ltd company without consultation).

It was not set up secretly. It was set up as a company following a T2oc Committee decision to protect both the members and the committee and the club from having to pay VAT. It was set up because it had to after visits by Customs & Excise, the committee sought advice and setting up 2 separate companies was best way forward. (I will point out that both the current & previous Club Chairman's were part of that committee.) These actions were fully ratified by members at the next AGM. (ref;TT72)

The problem is that Vanfest Ltd has never had the right structure facilities or resources to function as a normal commercial events company to be able to cope with what it has to do now. This is what must be done & we are trying to turn it into now. The workload has increased from 3000 hrs in 2004 to 8000hrs now with basically all the same crew (who are still volunteers).

12 Committee meetings minutes and other club archives were needed. Obtaining them was difficult as Vanfest Ltd had collected them unknown to the club and removed all the documents they needed first. They then failed to pass them on as asked, holding up the research until July 2011 – three months after the AGM and seven months into the deadline. The club committee have an e-mail sent to them in error showing that this was deliberate and that there are digital club records which have been withheld.

This is not a true account. The club had not even bothered to contact Phils Widow to collect any of the club or other effects (not destined to go to the club) from his house. Sean Powell (then still a T2oc Committee member) was specifically asked by Lesley to collect these items. This he did just prior to the AGM. Following the AGM he was hassled and threatened with legal action to hand over all the material. On top of that he was also then excluded from the committee. This did not encourage him to be very cooperative

We absolutely no need to and did not remove any documents that were not destined to go to the club. The e mail was not sent in error but just to see what reaction we would get - & it did not disappoint.

13 The club committee then took legal advice (as those committee members involved in 2003/4 did to set up the companies) so that everything was done properly. To save money, reading the minutes page by page and producing a timeline was done by the committee and took many hours from July until November 2011. This, together with close comparison of the two constitutions has produced a clear result:

a) The club is the 'parent' organisation. The VWT2OC Ltd set up and engaged Vanfest Ltd to run the club's annual event for them in 2004.

b) The Vanfest constitution states clearly that the club 'owns Vanfest in its entirety'.

c) This is an issue which will be explored further; but allows the club to appoint an Events Management Company as it chooses to run the show on its behalf.

d) The historic arrangement is that: profits and revenue from the show have not come back to the club – the events company keep all of these. This means that the events company appointed has to manage the event well in order to get their financial reward. The club does not benefit or lose out whether the show is a success or not. No money changes hands.

This is not what our proposals were about. We were not dwelling on the past but are talking about survival & development of the event into the future & what must be changed now and not about who owns what. At the moment there is little point in anyone owning something that is not going to survive another year.

14 The Vanfest Coordinator and Secretary are the holders of the two issued shares of the Events Management Company known as 'Vanfest Ltd'. (There is also an independent company 'Event Site Services' set up by Vanfest Ltd about which little information seems to have been recorded by the club Event site services is not a company & has nothing whatsoever to do with the club

15 The Club's Chairman and Secretary are the holders of the two issued VWT2OC Ltd shares. This does not make them the 'owners' of the club or its assets.

True

16 Paul Jarvis (as an individual on behalf of the club) is the registered holder of the deed of ownership for the Vanfest brand name. The Club President transferred this to him in 2008 as a matter of trust.

It was transferred to the Chairman of the T2oc (Paul Jarvis) by the then registered holder. The Registered holder was then made Club President. We believe that thrust has been misplaced. I had prior to that requested that the stewardship of the trademark be transferred to Vanfest Ltd to protect it. At the time the then Club committee was again talking of flogging it off & another event (Camperjam) was also aiming to use it.

17 The Vanfest constitution says that the club will supply helpers and also that members will receive discounted entry to the show. The club has always supplied help; 50% of the Vanfest Ltd committee must be club members so they represent a great number of work hours given by club members to help run the event. Plus many other members work hard on the annual build up and gate duty. Discount has only been given to the club at four of the shows – it has to be negotiated by the club committee annually with the Vanfest Ltd committee; this has not been easy.

The Vanfest Ltd Committee does have T2oc members on it but they are and always have been Vanfest Crew. They will all tell you that they work for Vanfest. Most of the all year round work is done by just 7 persons, none of these now have a close relationship with the club.

Agreed we do get some help from members during the buildup and over the weekend, but this is now a small proportion of the total crew.

Our accounts show clearly why we cannot always give discounts every year.

Where are we now?

If we were shipwrecked & adrift in an open boat we have just about got to the drinking our own urine stage,

18 The deadline of 31 December has now passed. The club committee received no response to its official communications with Vanfest Ltd during the autumn of 2011. The only correspondence sent by them was a reply to an informal e-mail from an individual committee member which restated the original position of Vanfest Ltd and the £500 offer.

There has been little point in continuing any further discussion, all of the information required to make a sensible decision about our proposals had been supplied. None of it had been passed on to the

membership via Transporter Talk, other than what the club committee wanted the members to hear from themselves

19 A stalemate has been reached; Vanfest Ltd will not talk to the club committee formally. The only meaningful option available has been to:

Excluding any dual T2oc Vanfest Committee members from attending any meetings has not helped this. An offer to mediate was made by a (neutral) T2oc member. It was agreed to by Vanfest but declined by T2oc.

Write to Vanfest Ltd and inform them that the club will with regret have to withdraw the use of the VANFEST brand name until such time as negotiations can be started.

Thanks, that really made for a fun Christmas. We have modified all of our website & documentation to comply. This looks like it is now going to be a one way process, as we cannot continue to operate under these conditions or restriction & will have to bring our own brand name in as a replacement. We cannot risk the chance of the Club refusing the name to be used between now and September.

The committee have heard via our Magazine Editor that Vanfest Ltd are surprised by this action and feel that it is unfair. The committee are unclear why this should be, as Vanfest Ltd initiated the situation and since refused to compromise.

Just what are we supposed to be compromising on?, There is/was no room or time left to compromise. The recession, increasing competition & need to change and the fact that the event has lost nearly £80k over the past 2 years has initiated this situation. If we did not take measures to improve the situation for ourselves and the event then it is going to be very unfair for everyone.

The club committee position is that:

Having been given a clear mandate at the 2011 AGM to establish the facts with a view to resolving the dispute over the proposal by Vanfest Ltd on 14th May 2011 - they have worked to achieve the best long term outcome for the club.

Maybe so but it does nothing to meet any of the aspirations of the organisation that has spent the past 18 years producing the Vanfest event.

This has revealed conclusive evidence that the show is integral to the club – supporting member's long held views.

It may be integral to the club but it is also integral to a lot of other people & organisations too & can continue to be so but only if the people & organisation that produces it is able to do so.

Vanfest Ltd has not been willing to communicate or negotiate with the club.

There is little point when the only answers we were getting was that nothing can be progressed until we hear back from our solicitors or we hand over the shares we are holding for the Vanfest Ltd company.

They say they must have the name 'for a mere £500' (quote from a Vanfest Ltd report to the club committee in June 2011) or there will be no Vanfest event. This is untrue. My 4th June report has been misquoted. It was referring what it would actually cost us to agree to a counter proposal put forward by the club (as per item 6).

The actual words are: "Vanfest Ltd is not going to be paying £125k+ just for the privilege of using a name it does not own or have rights for or have any prospect of owning, when it can pay just £500 to have its own trademark and event".

They have said that they will otherwise put on the club's show with a new name – using assets drawn from previous Vanfest funds.

We will have to produce our own new show using our own funds, if you had paid any attention to any of the reports I had sent to committee you would realize that there are no "previous" Vanfest funds left. The event has made heavy losses over the past 2 years.

They will refuse club members a discount or designated camping area at this show.

It is unlikely that we will be able in the first year to give anyone any discounts. With regards to designated camping provided we know the club is coming & how many there should be no problem with having a designated camping area. The club has not contacted our camping manager to discuss any camping requirements for whatever show we come up with.

The club committee must get the best possible overall deal for members.

Should Vanfest Ltd continue to use the name as before - but without the safeguards we all want, it would be impossible to fight for these later on. It is now or never.

This works both ways & is what we have been living under since control of the Vanfest name was transferred to the present regime in 2008. We have been under constant threat of having the name sold on or withheld from us using it. We are not prepared to be held to ransom any more. It does not give us any confidence to plan for the future knowing that each time there is a committee or mood change we will be going through another session of uncertainty.

The aim of withdrawing the name is simply to bring Vanfest Ltd to the negotiating table.

We cannot wait any longer. The club has put our proposals on hold since July until "at least" Spring 2012". We set a deadline of end of 2011 on this. We have to start our booking system off now. We are not going through another year of grief, when we could be building up our company to enable it to survive into the future.

If Vanfest Ltd will not negotiate further on the £500 offer into the spring of 2012, members will be asked how they want to proceed.

Again there has NEVER been an offer of £500 made & there certainly is not going to be one made anything like what the committee has been hawking the name to other organisations for.

It may be that members will not enjoy a discount in 2012 – but looking further ahead than one year they will be ensured of properly contracted benefits in the future.

These can be used as a way to promote the club and increase membership.

They would be built into any agreement with the events company who are appointed to run the show for the club (hopefully that will be clearly defined as the VWT2OC's subsidiary company).

That may be so. - If there is still a Vanfest at Malvern. That will only happen if we are given the full independence we need to develop our company. If that does not happen & from the way things are looking at the moment there will still be a transporter festival at Malvern but it won't be Vanfest.

Your involvement is vital and much needed- please keep your thoughts coming as the club committee are only the mouthpiece for the members and can only act on the wishes of the overall majority of the membership. We will continue to update everyone as things develop.

All of the updates we have seen so far have been produced by individuals on the committee. None of the material or reports supplied by Vanfest Ltd have appeared in Transporter talk

VWT2OC Committee

Simon Holloway

VANFEST Ltd will be making a Full Statement (or maybe even an update as well) in the next few days when we have all the necessary systems in place to be able to start the process off to produce the next transporter festival at Malvern. It will be held over the W/E of 7-9 September (as usual) – see you there.