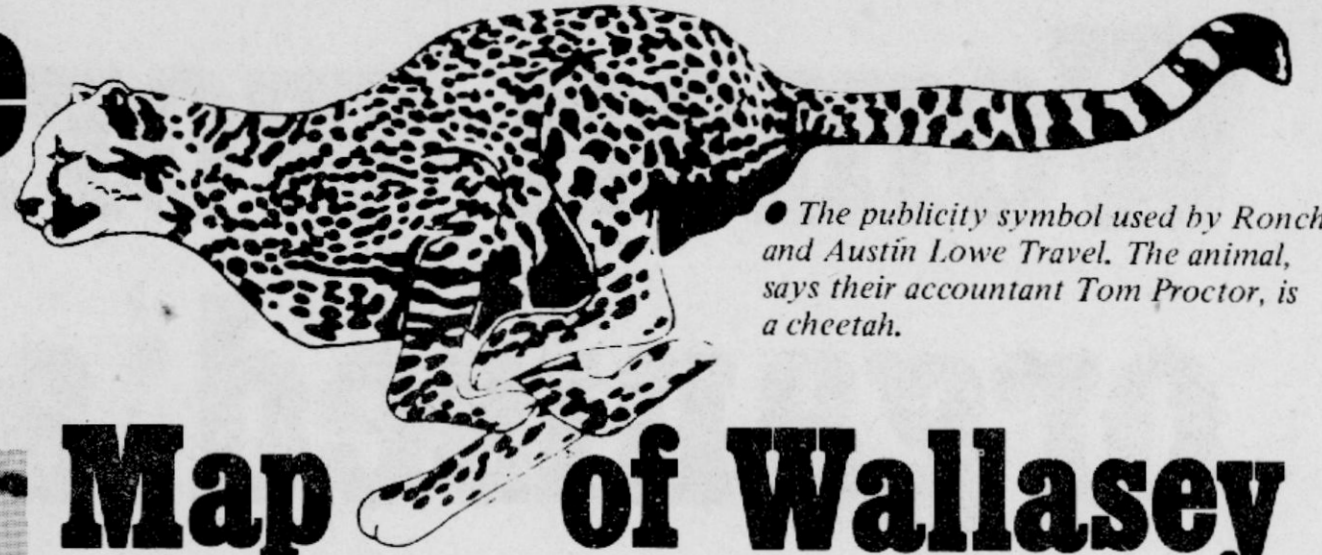


A VERY STRANGE BUSINESS

# The con-men who hide behind a cheetah



The publicity symbol used by Ronchil and Austin Lowe Travel. The animal, says their accountant Tom Proctor, is a cheetah.

ANOTHER nasty little finance operation has surfaced in Liverpool. The companies involved, Ronchil Ltd and Austin Lowe (Travel Division) Ltd use lies and deception to tempt people into joining their racket or taking out loans.

They get their business by placing illegal and phoney adverts in the Liverpool Echo.

The man putting up the money is that veteran Welsh money lender/grabber, Sir Julian Hodge. Hodge, a close friend of Labour minister James Callaghan, was exposed on TV a couple of years ago for his vicious interest rates. Ambition and greed have made him a director of more than 100 companies.



Quick getaway... Ronchil and Austin Lowe Travel director George Lowe jumps into his Lotus Elan.

## Map of Wallasey for sale: Only £1,200

A MAN who gave up his job in Portugal and returned to Wallasey when his wife died was just the person Ronchil were looking for.

Mr W (the Free Press agreed not to print his name) had been a shipyard manager but now, with four young children to look after, he needed a job which allowed him to work from home.

He answered an advert in the Echo and went for an interview in the Adelphi. There was smooth talk and promises of jet-set conferences abroad.

He agreed to join Ronchil as an area manager and parted with £1,200.

His cheque was made out to Mr Robert Dyson, of 1 Wallacre Road,

Wallasey, who is secretary of Ronchil and Austin Lowe Travel.

Mr W didn't really have £1,200 to spare, but was persuaded to take out a Ronchil loan for that amount. He is now repaying this at £29.04 a month for the next ten years... a total of £3,484.

For this investment he was given Wallasey. Or rather a map of Wallasey and the grand title 'Area Manager'.

Why did he pay the £1,200 to Dyson personally and not to the company? He was told Dyson was the previous area manager for Ronchil and Austin Lowe in Wallasey, and had done well selling the companies' loans.

But Dyson could only have been area manager for a matter of weeks. Austin Lowe Travel was formed on July 27 this year, and Ronchil on June 7. Mr W agreed to join the company in the second week of August.

Mr W was told the £1,200 bought him 1% of the company shares. And that every area manager had to own this number.

So Ronchil and Austin Lowe are wealthy companies worth £120,000 each? Actually both have a share capital of only £100. And according to records at Companies House 99 shares have been issued... 33 to each of the directors!

Another unusual feature about these unusual companies is that Mr W has never received any share certificates.

Mr W is now selling second mortgages for Ronchil and Austin Lowe. In the first two months he's persuaded two people to take out loans amounting to nearly £2,000.

For this he is due to receive commissions of £30 and £20 (£50 altogether) - not much really when you remember he has to pay £29.04 each month for his loan, plus all his telephone bills, all his petrol, his own insurance stamps and his own heating and lighting bills as he works at home.

So Mr W isn't very happy. And he's still not been to any conferences abroad, as he was promised.

He was due to go on a free trip to Monte Carlo but that fell through. The directors blamed it on the Court Line crash.

GENTLEMAN required to earn £2,000 p.a., part time working from warm beds, applicants must be aged 25-45, married with car and telephone. For appointment Phone The Branch Manager, 051-227 3511.

### ILLEGAL

THIS ADVERT, which has appeared several times in the Liverpool Echo, is illegal. Under the 1973 Fair Trading Act the advert should give the company's name, address and details of what's involved. It doesn't.

The advert also promises £2,000 a year for part-time work. This too is illegal. The Act forbids promises of unguaranteed earnings.

The advertisers, Ronchil Ltd, are looking for area managers. But people who take the jobs are more likely to lose than gain.

Before they start they have to buy £1,200-worth of shares (which is rather strange since the total share capital of the company is only £100). And, of course, those who don't have the money borrow it from Julian Hodge.

Under his contract the area manager must find £20,000-worth of business (loans) every three months. In return, all the company really promise is to pay commissions. As the contract states: "The area manager is an independent contractor and is not... a servant, partner or employee of the company."

And if he leaves, he gets the £1,200 back? Probably not. The company only agree to sell the shareholding for what they can get, AND THEN DEDUCT £500 FOR THEMSELVES. That's always assuming they don't go bust in the meantime.

Ronchil and Austin Lowe Travel are really selling second mortgages, though they don't like to call them that.

"People get very frightened of second mortgages," explained their accountant, Tom Proctor. "The only

problem with second mortgages is if you don't intend to repay."

People are right to be wary. The small print of the Hodge loan agreement allows interest rates to be raised, imposes additional costs, and makes the loss of your home a possibility for being just 15 days late with a monthly repayment.

1971 K HUNTER GL. metallic ce d a r £745 one owner, lovely condition: no deposit, finance available. - 051-659 3158

### PHONEY

Ronchil find some customers by placing adverts like the one above in the 'Cars For Sale' section of the Liverpool Echo. The company do not own the cars and are not interested in selling them. The cars are simply a ruse to get people interested in their loans.

Proctor explained: "We had a Cortina we advertised for £450. We got 20 enquiries for it. One of the blokes went out and saw 18 of these people, signed up 15 for the same car... 11 were passed and actually received cheques."

"Although it seems a little unfair at the outset it's good business and certainly not offending anybody. That's the type of thing we are doing on secondhand vehicles."

Nice people. But fear not. According to Proctor the law are already taking an interest in their unsavoury activities. He said an ex-Chief Inspector from the Liverpool force, who retired early, and a former solicitor are both now working for them.

"LOCAL NEWSPAPERS, as well as providing a news service, perform an important social function in their classified advertisement service."

Echo directors' report, 1973.

## Not so simple Simon

ONE OF THE BRAINS behind Ronchil and Austin Lowe Travel is 26-year-old Simon Harris. He became a director of these pyramid-style companies just three months after a similar firm went bust owing thousands of pounds.

He was the largest shareholder-director of Excalibur Finance Brokers, which was compulsorily wound up in March this year (Free Press Nos. 15 & 16).

The assets of his company were described in court as "negligible" but the full amount of money owing is still not known.

The claims against the company are so numerous, and the affairs so complex, that the official receiver has had to seek advice from barristers.

The main reason for the confusion is that Harris, with his other directors, Philip Myatt, a male nurse from Lincoln, and Derek Williams, a printer, of 15 Garswood Close, Kenyon Park, Maghull, didn't have just one Excalibur company.

As a spokesman for one of the largest creditors said: "They were trading under a variety of permutations of Excalibur."

"They had their own printing press and just seemed to change the name of the company when they wanted."

Harris's old Excalibur company still owes about £500 to Lawtons, the Liverpool stationery firm, and nearly £2,000

to a London company which supplies printing and office equipment.

Perhaps more important, a number of individuals have lost hundreds of pounds which they 'invested' to buy their way into the pyramid company, while salesmen are still waiting for their commissions.

Some time ago Mr Harris told the liquidator that there was enough money to meet all the LEGITIMATE claims. But so far he has not handed over one penny. And there's little doubt that he will take a very narrow view of the word 'legitimate' if he ever does.

Not dismayed by collapse, Mr Harris bounced back. Just three months later, on June 7, he helped to found Ronchil Ltd, and then Austin Lowe (Travel Division) Ltd on July 27.

Both these companies have the same directors, each holding 33 £1 shares. Besides Mr Harris, of 31 Strathmore Grove, Sherdley Park, St Helens, there is Gerrard Jackson of 38 Hampton Crescent, Neston and George Leslie Lowe of Belle Vale Road, Liverpool.

Now what guarantee is there that these companies won't end up in the hands of the official receiver? Precious little. The similarities between Excalibur, Ronchil and the Austin Lowe Travel Organisation are a clear warning to anybody about to part with hard-earned cash.

### Letter to the Free Press

#### A case for reflection

DO YOU THINK it's possible to get a large amount of rubbish from a photograph? I have had considerable difficulty in trying to decipher some of your photographs. I could understand the pictures of the 'stretcher', 'Worthington', 'canopies', the 'Daily Post', 'place and your snip one showing that people by Kirkby ski slope should not right when entering the roundabout - but what about the others? Come on Free Press. You can do better than this! Get a trip of your- selves!

D L JOHNSTON  
88 Deves End  
Maghull

Yes, Mr Johnston. As you so rightly point out, several pictures in our last issue were printed back-to-front. We'll try not to let it happen again, but if it does we suggest you use the same technique as we used to read your letter... hold it up to a mirror!

### OCTOBER BOOKS

#### 99 MOUNT PLEASANT

FOR MARXIST CLASSICS  
For books from China, Vietnam Albania and liberation movements throughout the world.  
AND ABOVE ALL FOR BOOKS, PAMPHLETS AND PAPERS FROM THE C.P.B.M.-L. ABOUT BRITAIN.  
Mon-Fri: 12-6.30. Sat: 9.30-6.00



## Ski slope: a pile of cash - and a heap of rubbish

AS KIRKBY STRUGGLES to recover from all the slip-ups on the town's new ski slope, one man at least has found the project a slide to success.

He's George Leatherbarrow, head of the building firm who built the slope. Leatherbarrow's job was to heap up thousands of tons of earth on the site.

Some time ago the council realised they were buying the earth from Leatherbarrow at a price which was probably far more than he had paid for it.

What they didn't know was that Leatherbarrow had gone one step better.

On several nights last December - shortly after work had started - this advert appeared in the Liverpool Echo:

#### TIPPING

Free tip in Kirkby for all suitable material

The firm involved wasn't named, but the phone number was Leatherbarrow's. So far there's no clue as to how

much of the earth Leatherbarrow got for nothing and how much he actually paid for.

The ski slope, which resembles a pyramid gone wrong, was built at the command of Kirkby's Pharaoh, Dave Tempest I, who personally awarded the contract to Leatherbarrow.

Its purpose was to ensure that Kirkby had no money in the coffers when the council merged with Knowsley last April.

It was built over the Liverpool-Kirkby water main, without planning permission, on land the council did not own, sloping down onto a main road, and without safety rails. It was completed with slave labour supplied by a local school.

It is still not in use. The council's architect, Mr E. Spencer Stevenson, who designed the slope, has not so far commented on unkind suggestions that he should perform the opening himself by sliding down on his backside into the path of a passing lorry.

## Stop Press: 'As you may have heard on the radio...'

NO PRIZES for guessing Radio City's most loyal listener. It's the Liverpool Echo of course.

Hour after hour, advert in, advert out, some poor sod sits tuned in and turned off down in the Echo's posh new offices.

And they're not just watching their investment (the Post and Echo grabbed the largest number of Radio City shares). The Echo are worried about looking silly in the all-too-likely event of them missing something. Hence the highly

paid, highly trained, and highly bored listener.

If there ever is anything important among the Radio City rubbish, the Echo will be able to live up to its name by repeating it.

Meanwhile, Ian Hargraves, boss of the Echo's weekly papers between Bootle and Southport, has made a unique contribution to the freedom of the press. He has banned all but editors and news editors from speaking to council officials.

**OPEN MIND**

DRY CLEANING  
FURNITURE  
ELECTRONICS

709-0264

39/41  
Manesty's Lane, L.I.  
opposite Holiday Inn.

Van + driver jolly cheap