

Mr Tony Gallagher
Editor in Chief
The Sun
1 London Bridge Street
London SE1 9GF

21 August 2017

Dear Mr Gallagher

I write in regard to the article written by your journalist Jordan Davies, and published on page 20 of your newspaper on Monday 14th August.

The article is factually incorrect and paints a poor picture of my character which I find to be unfair, unnecessary and unjustified. In fact I only became aware of the article whilst on vacation, receiving many calls from family, friends and supporters who all expressed their disgust and disappointment at the article, knowing the facts stated to be incorrect.

I also find it extraordinary that your reporter attended our game on the Saturday, prior to the article being published, however despite attending the after match press conference where our head of media was present, he at no time asked to speak to either myself to clarify any of the points he has referred to, nor did he advise our head of media he was actually at our stadium to report on our catering issue.

Referring to the article I comment as follows:-

- a/ It is correct the Company is in dispute with Centerplate, however they are our ex caterers, not current as written. The dispute is not with me personally.
- b/ Centerplate did not walk out of their contract after I failed to attend a meeting, this is also untrue.

Centerplate were contractually obligated to provide catering services at the Club until 31 May 2021. Under the contract the club was entitled to payments from the Centerplate of approximately £1.9m during the unexpired term of the contract.

Centerplate made a business decision to exit the contract early and abruptly exited on Sunday 15 March 2015.

The abrupt exit resulted in the Club initially 'fighting fires' to deal with pre-booked events (including weddings) that Centerplate had taken bookings for. We had members of our management and administration teams serving food and drink and we all came together to ensure that no one who had booked an event with Centerplate were let down and that the fans could still purchase refreshments on match days. I am incredibly proud of the team spirit that the Club's staff (and friends of the Club) showed to get us through those difficult months. We received many endorsements and letters of thanks for the effort we put in.

Whilst we were fighting fires, Centerplate (immediately following their exit) put into place a well-orchestrated and well planned PR campaign which resulted in the articles (such as the one your colleague quoted) being published in the local and trade press. I believe this inaccurate and negative publicity hampered the Club's ability to find an alternative caterer.

Because no appropriate alternative caterer could be found, the Club has taken the catering operation in house. The Club had no desire to take on the catering operation. It was forced to do so by Centerplate's actions.

By walking out on its obligations with the Club, Centerplate breached the contract it had with the Club.

From March 2015 to July 2016 Centerplate denied that their actions constituted a breach of contract. In the face of that denial, in the summer of 2016, the Club's lawyers filed an application for summary judgement on liability (with quantum to be assessed). That resulted in Centerplate conceding, albeit very late in the day (and after many tens of thousands of pounds had been spent on costs), that its actions constituted a breach of contract.

In November 2017 the Judge will determine how much compensation is due to the Club from Centerplate (liability having already been conceded). As I understand it the Judge, when assessing those damages, will have regard to the sums that the Club would have received from Centerplate but for their breach of contract (approximately £1.9m) and the performance of the Club's Catering and Banqueting operation.

In summary the Court proceedings are an unwelcome but necessary process that the Club needs to go through to recover what it is due from Centerplate.

- c/ I did not sue the caterers as stated, the Company issued proceedings for breach of contract, nor did GFC make a pre- tax loss, " due largely to court fees"
- d/ Our player Zakuani would have had no knowledge of this case, nor has it affected any players or staff at the Club, it was unfair to draw him on such a point.
- e/ I am told the player has been misquoted in the article, I will follow this up when I return from vacation.
- f/ This issue did not "force" me to bump up season tickets by £10 per fan.
- g/ Your journalist suggests the period under my watch of 23 years has been eventful and that my actions since 1995 have appeared to bring "the status of this once steady club into question".... the Club was in administration when I purchased it in 1995, was about to go out of business with no one else interested in saving the Club, hardly "once stable", as written. In addition my record speaks for itself in terms of both on field success and stadium redevelopment.

It is also a fact that financially our trading and transfer business has been astute under my Chairmanship, our last 22 years of accounts are proof of such and are in the public domain.

-
- h/ My plans to, “move the stadium location to the Medway Towns”, (we already are in the Medway Towns), has had huge public support from not only supporters but also Medway Council. In fact, the new proposed site is only approximately 500m from the current site. I have received no negative feedback from any fans at any stage.
- j/ The damaging comment in regards to the football league has no merit. The EFL will confirm this is an entirely false and inaccurate statement.
- k/ The Pulis issue was a matter the Club had no option but to defend, in just the same way any other club or indeed business would have done so. Pulis sued GFC for huge amounts of money to which he was not entitled. His legal team threw in the towel after severe criticism from the trial judge on the second day. I shall never forgive him nor forget the manner in which he behaved against the football club, and indeed me personally.

The case was also a matter of public record, the facts could have been checked had your reporter so wished. I have no current interest in Pulis, the past as far as he is concerned does not affect me any longer.

L/ I am unaware about a fish and chip shop in Gordon Road.

M/ The Club is not taking a battering on and off the field, in fact it is in good shape and making good progress in all areas. It is true our start could be better but with now only 3 league games played I have no concerns.

Overall your reporter has in effect, it would appear, attempted a wholly unfair and unjustified character assassination against me, and it shows Gillingham Football Club in a very poor light. I am one of the longest serving Chairman and Owners in the entire football league and have worked extremely hard over the past 23 years to keep the club afloat, ensure it is not damaged by predators, and build a future for the fans of Medway and beyond, as such I am staggered by this unnecessary article and wonder exactly what motivated your journalist to write it in the first place.

I await your comments with interest however I will be discussing this with our lawyers when I return from vacation. I will also be publishing this correspondence on the Clubs website to clarify the position for our supporters.

Yours Sincerely



Paul D P Scally
Chairman

cc: Shaun Custis - Head of Sport

