

# Battle of bouquets

By **Simon Fluendy**

REBEL florists in the Interflora trade association are claiming a victory over their board. Plans to start a demutualisation process this week were shelved until after the group's annual meeting.

The rebels have stepped up the battle, accusing chairwoman Myra Williamson of increasing her possible windfall by buying up new shops.

And with the atmosphere becoming poisonous, David Adair, leader of the Interflora Stakeholders' Association, was told this week that 'corporate spooks' were following him. 'I was warned that I was on a list. I should change my mobile phone, change my e-mail address and watch my step,' he told Financial Mail.

A huge row has flared over the plan to demutualise the body and sell a 65 per cent stake to private equity group 3i for £23 million.

Williamson, who with her family controls one of the largest empires in the UK association, has added three shops in the past year, taking the number to 13.

One florist said: 'If Williamson had any influence over the structure of the deal, very serious questions would be raised.'

Florists will receive a stake in the newly incorporated business based on length of service, amount of business generated and a 'fixed amount' per store.

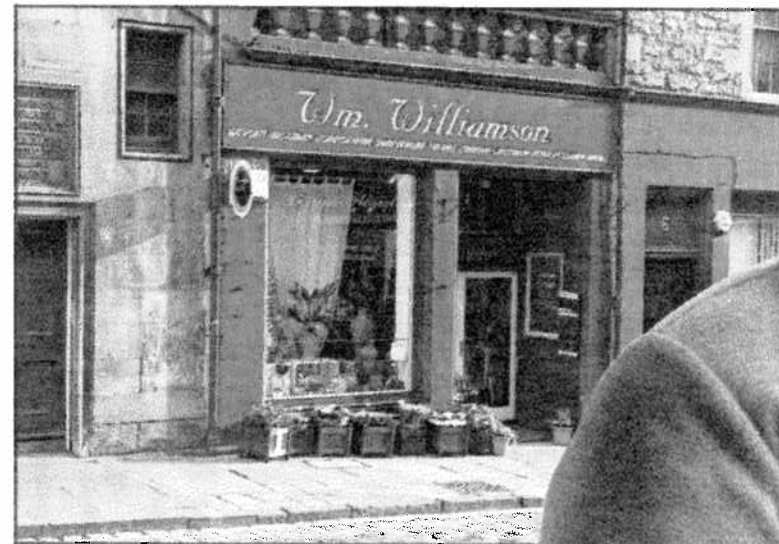
Jonathan Silverman, a lawyer representing Geoff Hughes, leader of one of the rebel bands, said of Williamson: 'It

## Interflora rebels claim a victory as plans to sell a £23m stake are put on hold

would be nice to think she will share any additional profits she might make with the members.'

Adair went further: 'I am concerned. Those in the know about the deal could take action which would pay dividends down the line. It is also the case that the rules on voting have been changed. In the past, family enterprises were limited to six votes. For the scheme of arrangement [for demutualisation], it's one shop one vote.'

Adair said the fixed amount was not the only element of the proposed deal open to manipulation. 'The value of business payment seems straightforward,' he said, 'but if you knew in advance that a deal was to be pushed, then you could market heavily in your locality. It would be a tremendous benefit if the value



payment was based on the last 12 months' takings,' he pointed out.

An spokesman for Interflora commented that suggestions of improper conduct by Williamson were 'laughable - but offensive'.

The family bought two shops in November 2003, but PricewaterhouseCoopers, the accountancy firm advising the board on strategy, was appointed only in January 2004, the spokesman said.

He denied that Williamson played a key

**Under fire:**  
Interflora rebels  
are targeting  
Myra Williamson

role in determining the strategy for demutualisation or that Steve Richards was appointed as chief executive in October 2003 to drive it.

The spokesman continued: 'Myra Williamson is a thoroughly decent person and a very straight dealer.'

'All these accusations are just an attempt to spread worries among the members, to influence the voting at the annual general meeting later this month and no one should listen to them.'