

# Client sues PMP over undelivered papers

## ■ PRINTING Miriam Steffens

A DAY after admitting it had deceived customers over its junk mail delivery, the printing company PMP has been accused of dumping up to 15,000 community papers each week instead of delivering them.

Sun Holdings, which published the advertising-funded *Bayside Weekly Magazine*, filed a

claim with the Supreme Court of Queensland yesterday alleging that PMP failed to deliver more than a third of its papers to neighbourhoods in the Redland Shire east of Brisbane each week between late 2006 and April last year.

The company's owner, Kelley Wiseman, is seeking more than \$700,000 in damages, interest and costs from PMP for breach of contract.

He says PMP destroyed or dumped in skip bins or other dump sites about 15,000 of the more than 38,000 papers it was paid to deliver each week. He also says that in the final months PMP took them in its delivery trucks to recycle dumps.

The lawsuit comes a day after the Australian Competition and Consumer Commission said the printer had admitted it misled some of its clients over its letter-

box distribution in the past two years under its chief executive, Brian Evans, who left in January in mysterious circumstances.

During 2007 and last year PMP's distribution arm had claimed "deliveries had taken place in certain areas when they had not", said the chairman of the commission, Graeme Samuel.

PMP is alleged to have charged customers such as Coles

for delivering junk mail and catalogues that never made it to household letterboxes, some of them being pulped instead.

The company has given and implemented court-enforceable undertakings to improve its processes regarding information given to delivery clients, and to provide the watchdog with an independent auditor's report on its delivery reporting.

Its new boss, Richard Allely,

who was chief financial officer under Mr Evans, told the *Herald* on Wednesday that the commission statement was "simply putting closure" to the matter, allowing the company to move on with its plans to rebuild customer relationships and improve profitability.

However, clients and corporate lawyers argued that PMP's official admission of deceit would pave the way for compensation

claims from customers and shareholders.

The law firm Maurice Blackburn, which specialises in class-action suits, has started looking into the possibility of a shareholder claim against the company. Key retail clients also said they were keeping their options open.

Mr Allely did not return a call seeking comment on Sun Holdings' allegations yesterday.