

# Winding up the Addicks

*Thirty years ago this spring, Charlton Athletic were wound up in the High Court and teetered on the brink of oblivion. In this adapted extract from his 1991 book, Battle for The Valley, shortly to be reissued, Rick Everitt describes what happened.*

Mark Hulyer was 28 years old when he took over Charlton Athletic in June 1982. Like his predecessor, Michael Gliksten, he was the youngest chairman in the Football League at the time of his appointment. But in every other respect he was utterly different.

A member of Charlton's executive club, Hulyer had arrived on the scene the previous year with a high-profile sponsorship scheme.

Indeed, most matches in the 1981/2 season were sponsored by Marman, "an international company in the field of chemicals and commodity foodstuffs".

Before long the company's logo appeared on the fascia of the main stand, welcoming supporters to the ground.

It was not until the tenth game of that campaign, all sponsored by this hitherto mysterious organisation, that supporters learned of the reason behind it all.

Hulyer, "chairman and founder of the Marman group of companies", revealed himself as a lifelong fan who wanted "to contribute towards getting the club back into the First Division".

In fact, he had made an unannounced appearance in the programme for the previous match, pictured among a group of executive supporters.

A less generous account of his arrival is given by team manager Alan Mullery, who recalls Hulyer breezing into the ground with a cheque for £50,000 to pay for five years' stand advertising, and thereafter becoming a regular companion of the players.

Mullery, appointed to replace the recently departed Mike Bailey, resigned after just one mediocre season in charge – on the day that it became clear Gliksten was handing over the chair.

Hulyer's reign was to be short, but it would have devastating consequences for the club. It started with many fine words about a new era and ambitious plans for strengthening the playing staff. The cynics ridiculed an abortive attempt to sign former England captain Kevin Keegan, but were silenced when he landed ex-European Footballer of the Year Allan Simonsen

instead.

Unfortunately, the new chairman had neither the money to finance his ambitions, nor the judgement to restrict his promises to those he could keep. When the crowds failed to respond sufficiently to his gamble with Simonsen because the team continued to struggle, he fell into increasing difficulties, eventually incurring a punitive penalty clause for failing to keep up payments due to Gliksten.

His problems were complex, but at their root, inevitably, was the deal he had agreed on the ground.

The shares in the football club had changed hands for a token £1,000. But first Gliksten had separately acquired its principal asset, The Valley, through his company Adelong Limited for £414,000.

Hulyer then signed a 30-year lease on the site and the recently developed training facilities at Valley Leisure in New Eltham for a rent of £110,000 per annum.

An additional £300,000 was loaned to the club by Gliksten to cover half the existing overdraft, which the former chairman had guaranteed, and the remainder of which he now paid off. The outstanding amounts, plus the interest on the loan, were to be repaid over four years in quarterly instalments at a fixed rate of interest.

Initially, the new landlord remained on the board, one of only three of the existing seven directors to survive the upheaval.

Another was the diminutive Richard Collins, a 40-year-old chartered surveyor who had once lived in Lansdowne Lane behind the ground.

He had joined the board the previous summer and now became managing director. The final man to provide continuity was the faithful fund-raiser, Bill Jenner.

Apart from Hulyer, numbers were swollen by Peter Crystal, a solicitor, and Malcolm Stanley, chairman of the FADS chain of DIY stores which had become the club's first shirt sponsors the previous year.

Builder Alan Ward also joined at the start of the season.

But the new board soon disintegrated. Jenner went in November, unable to answer Hulyer's appeal for funds and Gliksten followed a month later, ending half a century of family representation.

Stanley also quit at the same time, taking his sponsorship deal with him, while Ward and Crystal lasted until March. Now the

increasingly beleaguered Hulyer found himself with only two colleagues, Collins and Chief Francis Arthur Nzeribe, the Nigerian chairman of arms supply company Fanz International who had replaced Jenner. Probably the most exotic director in Football League history to that point, Nzeribe was a 45-year-old former member of the Nigerian parliament, ousted by a recent military coup.

The reason for the spate of departures soon became clear. There was deep internal unhappiness over the way the club was being run. The Simonsen transfer had been a financial disaster, because although the player proved a success, scoring nine times in his 17 games, and the home matches saw an increase in attendances of some 40 per cent, it wasn't nearly enough to meet the combined bill for his wages and the transfer fee.

The deal had also been the subject of a drawn-out wrangle with his former club Barcelona who wanted binding guarantees of Charlton's ability to pay the reported £324,000 fee. The row had reduced Hulyer's credibility and by the time Simonsen left in March for his former club Vejle in a damage limitation exercise, the storm clouds were gathering a promising young central defender, Paul Elliott, had to be sold to Luton Town at a knock-down price in order to meet the wage bill.

Then Gliksten struck, gaining a summary judgement in the High Court for repayment of his loan, plus the interest for the full period of four years, a total figure of £420,000. The only money he had ever received was that for the shares and the first quarterly instalment.

But Hulyer argued that since the deal had not been signed until November and it was now March, only one instalment of £54,000 had been missed. And that, he claimed, had been the consequence of Stanley withdrawing his sponsorship. He also professed puzzlement at Gliksten's pursuit of him through the courts, although he must have known of the penalty he might face for falling behind.

In the ensuing confusion, two sympathetic businessmen, neither of them Charlton supporters, separately tried to save the situation by acquiring The Valley on Hulyer's behalf in order to act as more benevolent landlords.

Millionaire Ron Billings was the 80-year-old founder and chairman of an extraordinary Southern League club, Corinthians, based near Fawkham in Kent, which sought to play the game according to

civilised values. He despised the professional game, but was nonetheless willing to help Charlton and he offered Gliksten £750,000 for his remaining assets. However, talks broke down because he was unwilling to meet the loan debt.

Gliksten now obtained a bankruptcy order against Hulyer, which he refrained from serving while he saw how matters developed. Billings resurfaced with an offer of £700,000 plus a further £300,000 in respect of the loan. Again, Gliksten said no, apparently because he wanted the full interest of £120,000 which would have accrued over four years as specified in the original contract. Not surprisingly, Billings refused and this time he withdrew from the scene permanently.

Frustrated at Charlton's failure to pay the £35,000 balance of the £180,000 fee for winger Carl Harris, who had been the first of new manager Ken Craggs' signings the previous summer, Leeds United made history by becoming the first club ever to seek a winding-up order against a fellow League member.

Gliksten joined the action and so too did the Inland Revenue, chasing arrears of £145,000. The case was adjourned until July 25th, and then October 7th to give Charlton time to find the money. On that date the Revenue reached a settlement, only to be replaced as chief creditor by Gliksten, now claiming to be owed some £573,000.

By the following month, no less than 14 other creditors had emerged. Another white knight, in the shape of textile businessman Leslie Wise, a 57-year-old Arsenal supporter, arrived on the scene with a new offer of £850,000 for The Valley plus the New Eltham training ground Valley Leisure, which had never been in the ownership of the football club.

But his bid was less than the second amount offered by Billings, and Gliksten was now said to want £1.25m, comprising £250,000 for the training ground, £420,000 for The Valley and £580,000 in respect of the original loan and unpaid rent plus interest.

Hulyer briefly stood down as chairman in October 1983, hoping to revive potential investors' confidence and Collins succeeded him, but two months later he was back in the chair. Frustrated at the failure of all his efforts to secure a successful takeover, his successor quit the board, saying only that people would have to draw their own conclusions as to who was to blame for him drawing a blank.

Now there were only two directors, of whom one was the obscure Chief Nzeribe.

And within weeks he too had quit. But by then Hulyer had hit upon a wheeze for obstructing the relentless progress through the courts. In November, he started legal action of his own against Gliksten for alleged offences under section 42 of the Companies Act 1981, relating to the sale of The Valley. It would earn the club a four-month breathing space.

And now at last the fans, thus far no more than extras in this extraordinary soap opera, began to respond. A "Save Charlton Action Committee" was formed, chaired by Clive Franklin, a Bexleyheath company director, and including prominent behind-the-scenes figures like Colin Cameron, the club historian; fellow journalist Alan Honey; Kentish Times sports editor Tony Flood; and supporters' club chairman Jack Linsdell.

Its major contribution was to raise part of a transfer fee outstanding to Rotherham United for striker Ronnie Moore. Charlton had been called before a League enquiry to explain themselves and there were fears that points would be deducted.

It would have been a shattering blow to the efforts of yet another new manager, Lennie Lawrence, who had somehow hoisted the troubled club to the fringe of the Second Division promotion race. Fans were issued with certificates in exchange for their donations, collected in buckets by volunteers, and a cheque for £8,000 was presented direct to the Yorkshire club.

There was also talk of setting up a company with the aim of selling £10 shares in order to raise up to £100,000 and buy an equity interest in the football club. But quite clearly the supporters' club, whose tiny membership of 250 more than trebled during the crisis, simply lacked the financial muscle to make a serious impact.

Charlton's still considerable potential was underlined on the last Saturday in January when an unexpectedly large crowd turned out for the fourth round FA Cup tie against First Division, but hardly glamorous, opposition in the shape of Watford. The attendance was given as 22,392, of which at most 7,000 came to support the Hertfordshire club.

Strictly speaking, in fact, the gate was narrowly above The Valley's official safety limit, something which was conveniently overlooked. The home side lost 2-0, although some consolation was the club's one third share of The Valley's record receipts, which totalled £70,423.

Just two days later, however, they were back in court, where the Inland Revenue were now demanding £108,554, of which it

would take at least £70,000 to buy a stay of execution. Hulyer turned to Greenwich Council for short-term help, but wisely the authority refused. For any such insignificant sum injected into the now terminally insolvent company would have been money wasted.

Charlton were given a fortnight's reprieve and when the court reassembled on February 13th it was told that the mysterious Nzeribe was trying to mount a rescue operation through his Flintgrange company, which was sufficient to earn a further two-week respite.

But Hulyer rejected this deal, the details of which were never made clear, and when on February 27th he offered the Revenue a solution of his own, involving three payments of £30,000 paid through Marman's Swiss bank account and dependent upon the progress of a quantity of rubber from Bangkok, Judge Mervyn Davies concluded that he had heard enough. He reluctantly gave instructions for Charlton Athletic to be formally wound up.

For 24 desperate hours, it seemed the club would die, the most substantial English League outfit ever to go to the wall, leaving The Valley, however briefly, a decaying monument to the mismanagement of a generation.

But behind the scenes Collins had been hard at work. From an apparent multiplicity of potential consortia, including one involving Anton Johnson, a former Valley season-ticket holder whose activities at Rotherham and Southend had led to a League investigation, he had found the club's saviours. Together with the hitherto unknown Michael Norris, an Eltham chartered surveyor and property developer, Collins had interested John Fryer, managing director of the giant Sunley building conglomerate, in acquiring the ground from Gliksten.

Their plans had been laid months earlier, but only now that Hulyer and the hopelessly debt-ridden old company were leaving the scene could they afford to come forward.

And it meant that they had to act desperately quickly, because the Football League was demanding to know whether the club could fulfil its fixtures.

Even now Hulyer wanted to fight on. It wasn't until two days later that he finally gave up hope of appealing against the winding-up order.

In the meantime, the gates of The Valley were locked by the official receiver and the players and staff exiled to the neighbouring Valley Club to wait, with the fans, for news

of Charlton's fate. Hard-won new signing Moore was even thrown out of the Clarendon Hotel at Blackheath because of fears that the bill would not be paid.

Initially it seemed that the consortium of Collins, Norris, Fryer and former director Stanley would take control of a new company on March 1st. But the official receiver wanted more time.

That in itself might have spelled the end of Charlton, but as the following day wore on the League gave them a stay of execution by agreeing to postpone the weekend fixture at Blackburn. The news came as a relief to the anxious players, who were in no mood to face the long journey north. But it was received with disappointment at Ewood Park, where there was some concern as to whether they would be able to cancel the matchday order of pies.

Charlton, meanwhile, were back in court on the Monday, then Tuesday, and finally Thursday, with the League's deadline now just hours away.

Fryer, as he soon had good reason to stress, was a Charlton fan, who claimed to have seen his first match at The Valley at Christmas 1927. But as the saga dragged on and on, and the probable cost to his company rose, it is unlikely that he would have proceeded had it not been for the encouragement of his partner John Sunley, whose main sporting interest was horse-racing rather than football.

In the closing stages of the negotiations, it was Sunley who persuaded Fryer to indulge himself by saving the club.

The original plan had been for the building company to purchase the freehold of The Valley for a mammoth £1,075,000 and put just £50,000 into the Charlton company itself. But the League's demand for financial guarantees had ruled out the idea of Sunley's becoming simply benevolent landlords, recouping their investment by the development of a sports complex.

All creditors had to get 60 per cent of the money due to them, with other clubs receiving 70 per cent and the Inland Revenue paid in full.

These were the same terms which had been imposed on the other member clubs that had come back from the dead. But they were an awesome burden on the hopeful consortium, given the total debt of over £1.5m, and they led to the departure of Malcolm Stanley, who angrily accused the League of wanting Charlton to die.

The other members of the consortium promptly dissociated themselves from his remarks for fear of losing Lytham St Annes'

goodwill in the vital days that followed. But the truth was that they simply did not have the money. It had to come from Sunley's, who consequently became owners of the football club, with Fryer, not Norris as had been intended, chairman.

A valuable intervention now came from Greenwich Council, who had turned a deaf ear to all Hulyer's pleas and even rejected a plan for a market at The Valley which might have helped him. They agreed to inject £250,000 into the new company over five years in return for benefits to the community and a seat on the board.

Still more fundamental to the rescue operation was an agreement between the warring parties of Gliksten and Hulyer to waive the debts incurred by the old company and drop the legal actions against each other.

The former had been woken at 5am in Australia to be told the news of the winding-up and hurried back to England. Hulyer had made various claims about the money Marman had put in, but a figure of around £300,000 was put before the court. Only at the last possible moment, as the hearing began at 3pm on Thursday, March 8th, was this vital agreement reached.

When the parties arrived in court to seek the judge's approval, they had to stand in the aisles because the public gallery was choked with anxious fans.

It was just before 3.30 when the news finally came that Charlton were safe. And even then there was a desperate dash to the London offices of the League to satisfy them that the new company, Charlton Athletic (1984) Limited, could meet the obligations set down for them before they would be accepted to run the club.

Charlton had been within minutes of becoming the Accrington Stanley of their generation. There was, above all else, monumental and justifiable relief. The new directors emerged to tumultuous and deserved acclaim at the following Saturday's home game with Grimsby Town.

But ownership of the ground and club remained divided. For Gliksten had rejected Sunley's offer for The Valley. Instead, the consortium had secured a ten-year lease at a reduced rent of £70,000 per annum with a view to an eventual purchase. That division was to be the crucial factor in all that followed. Yet it is worth noting that even if the original deal had gone through, and Sunley's bought the ground but not the club, the separation of ownership would still have existed. And who is to say what path history might have taken then?