



The documents indicate that Firepower's strategy of targeting successful sportsmen to market the fuel pills was to be repeated across each of the other high-profile franchises sponsored by Firepower, such as the Sydney Kings basketball team and the Western Force Super 14 team.

There were also plans to sell the pills through the Adelaide Crows AFL team through its charitable arm - the Crows Foundation. The foundation was to receive \$1 for every packet of pills sold.

And Firepower's ambition did not end at Australian borders.

The company drew up plans that canvassed possible sponsorship of Chelsea Football Club in the English Premier League and of the formula one racing driver Mark Webber.

Firepower had a pressing issue at the time. It had raised more than \$80m from investors, including hundreds of thousands of dollars from high-profile players linked to the Crows, on the understanding that everyone would get spectacular returns once the company listed on London's secondary stockmarket.

The proposed sponsorship of Chelsea was to leverage "significant London influence" to help make that happen.

Neither the listing nor the sponsorships of Chelsea and Webber eventuated. And the only pills produced for sale - using images of Force players - were hastily withdrawn after adverse publicity forced regulatory authorities to investigate the company.

Firepower's global sponsorship strategy, drawn up in November 2006 by the Dynamic Sports and Entertainment Group (DSEG), outlined the spending of nearly \$60m in 2007 and 2008. The *Herald* is not suggesting that DSEG knew what Firepower's real agenda was.

By coincidence, the same Melbourne firm later headed a critical review into the future of basketball after Firepower chairman Tim Johnston fatally wounded the National Basketball League by forcing the Kings - a club he owned - into liquidation.

The documents show how some of the sportsmen who were duped by Firepower were initially happy to climb on board the Firepower fairytale but later scrambled to rewrite their private deals after questions were raised about Firepower's alleged fuel technology.

For instance, Force coach John Mitchell was getting a payment valued at \$100,000 a year from Firepower. The three-year agreement, which began in October 2006 but was ended early at Mitchell's insistence, allowed for him "to be paid in full or convert part of the fee to a combination of [Firepower] shares and/or personal holiday travel".

He had initially decided to take \$60,000 in cash and \$40,000 worth of Firepower shares, according to one document. But only days after the *Herald's* first critical story on January 8, 2007, his agent, John Fordham, asked that the contract be changed. He now wanted the whole amount in cash. "John Mitchell will review his position concerning shares when the company determines its listing position," Fordham wrote.

Force player Scott Staniforth, who was getting \$50,000 a year in payments from Firepower, also later requested his payment in shares be varied.

The documents indicate that, until the *Herald* began writing about Firepower, neither the Australian Rugby Union nor the Western Force was even aware of all of the arrangements in which its employees were entangled.

In the days after the *Herald's* first story, Fordham, a player-agent, wrote to then Force CEO Peter O'Meara informing him that Firepower had deals with Ryan Cross and Cameron Shepherd.

"I had been meaning to provide you with this background before the start of the Super 14 season," he said, "but because of the recent publicity concerning Firepower, I thought it appropriate to bring this forward.

"These arrangements are based on each player's future career development and will involve them in making occasional appearances for Firepower that will not in any way involve above-line advertising or the usage of the intellectual properties of the Western Force or the Australian Wallabies. I felt comfortable making these private arrangements in view of Firepower being a major sponsor and supporter of the Western Force."

At the time, Fordham's two players were part of a group of up to seven Wallabies at the club who were being sponsored by Firepower. One of those was the Australia's brightest star, Matt Giteau. His record-breaking \$4.5m transfer from Canberra - \$1.5m a year in wages over three years - had largely been underwritten by Firepower.

But all of the players eventually appeared to have trouble getting paid, a fact repeatedly denied at the time.

For instance, in February 2007 Fordham wrote to Firepower to complain that payments due in November 2006 had not arrived until December. He began writing to the company several days before a new payment was due to remind Firepower of its obligations.

In May 2007, three days after the payments were late again, he wrote to Firepower warning the company that the *Herald* was asking the players whether they were being paid. Firepower cautioned Fordham "not to speak to the journalist in question, under any

circumstances".

But the documents show that while the sportsmen and sporting franchises who were duped by Firepower were often made to wait for their money, Johnston was enjoying life as the new king of Australian sport.

He arranged for an employee at the taxpayer-funded Australian Trade Commission to source castles in the south of France so that he could enjoy the 2007 Rugby World Cup in style.

Johnston booked accommodation in a 19-bed chateau with a swimming pool built into an ancient trout basin for himself and a party of more than 10. He hired a private jet to shuttle between games and a number of other castles where he stayed.

Federal Court documents reveal that the last significant payments Johnston made were in December 2007, when he borrowed \$1.3m from a Firepower investor to meet some of his outstanding obligations.

He used the borrowings to pay \$605,000 to Giteau, \$170,000 to Drew Mitchell, \$110,000 to Scott Staniforth, \$70,000 to Fordham (an invoice on behalf of a client) and \$200,000 to the Force.

That, it seems, is when the Firepower roulette wheel had stopped.

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*This story was found at: <http://www.smh.com.au/articles/2008/10/10/1223145639541.html>*