

Prime Minister

2.

Follow up to
your talk with
Lord Trenchard



Jan 16

MB

Ind Pd

MP 16/1
Dear Prime Minister

Thank you for seeing me.

1. Malaysian trip objectives attached.

2. Thames Board at Wokington
(Unilever's £90m. investment) are on
Natural Gas. They believe that they
have the most advanced mill in
Europe. It is currently in the red to
a small degree. Thames Board as a
whole will lose approx £7 million this
year. They will I think close most
plants except Wokington this year

David Orr gave me the above in
strictest confidence.

Yours
Tom T.

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MALAYSIA

1. The main sales possibilities are:

a. Air Base Developments.

The Malaysian Air Force intend to expand their bases at Subang and Gong Kedak at a cost of some £300m. IMS Limited, supported by Halcrow and Wimpey, have submitted bids for these projects.

b. Lumut Naval Dockyard.

Overall plans for the Lumut base are in the hands of German consultants. Two British consortia are interested in the dockyard construction element with a possible value of £50m. The consortia are Vickers/Taylor Woodrow/International Aeradio and Wimpey/Appledore Shipyard/Racal. Both face German competition.

c. Armoured Vehicles.

(1) Tenders for 50 Scorpion light tanks have been submitted.

(2) The Malaysian Army and Police Force are interested in Panga, a variant of the Fox reconnaissance vehicle. 150 vehicles are required totalling £150m. IMS Limited have a price proposal in hand.

d. Artillery.

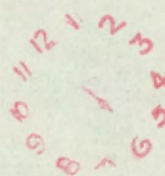
Prospects exist for FH 70 and its associated equipment. An offer for 30 units has been submitted by IMS Limited. The Malaysians are also interested in perhaps 100 light guns and in the Cymbeline radar.

2. In addition to these main items, there is some interest in up to 10 other items including Hawk.

3. I am calling at Jakarta on the way back where Hawk and helicopters are possibilities.

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