



MINISTRY OF DEFENCE
 MAIN BUILDING WHITEHALL LONDON SW1
 Telephone 01-236-7622 218 2111/3

MO 5/4

19th October 1981

1. MODBA to see: if content
2. GA to type for PM, & submit with this letter + Mr Prior's.

Dear Mike,

MA 207 x

LANDING SHIP LOGISTIC - SULTAN OF OMAN'S NAVY

Thank you for your letter of 14th October.

As you will know, two British companies have been competing against strong international competition for an order for a Landing Ship Logistic for the Sultan of Oman's Navy (an order now reduced for budgetary reasons from two ships to one). A shortlist consisting of Brooke Marine of Lowestoft and Vosper Private of Singapore has now been published. We understand that Brooke Marine are favourably placed in terms of specification, price and delivery but you will readily understand that the competition is still open.

We believe that a letter from the Prime Minister - I attach a suggested draft - would enhance considerably Brooke Marine's chances of receiving this order, which is vital to their immediate future and employment in the Lowestoft area. Mr Prior has already mentioned to the Prime Minister the fragile state of Brooke Marine's order book (his letter of 7th October).

If the Prime Minister agrees to write along these lines, I shall arrange for the letter to be delivered and for the text to be telegraphed ahead to Muscat.

I am copying this letter to Roderic Lyne (FCO).

Yours sincerely

Ruthen Dawson

(J D S DAWSON)

M A Pattison Esq

LSL FOR OMAN

I was delighted to learn from our Embassy in Muscat that Brooke Marine Limited have been shortlisted to meet your requirement for a Landing Ship Logistic.

Brooke Marine as you know are a company of international standing with considerable experience in building these particular types of vessels and have recently completed an order for similar vessels for the British Army. They consider that they have submitted a highly competitive proposal, one which complies with the specification issued and which they believe has been well received by your Navy. I have every confidence that should your Navy recommend that Brooke Marine should build this ship for them they would be well served, and for Brooke Marine, in these times of high unemployment in the Shipbuilding Industry, this order would be most welcome.

I am firmly convinced that for the ship to be built in the United Kingdom would be to our mutual advantage and would add to our excellent relations in the defence field. I need hardly say that should you opt for the vessel to be built in this country the company will have the full support of my Government.

Faint header text at the top of the page, possibly including a date or reference number.

LETTER

I was delighted to learn from your message in recent days
of the kind of interest you have in our company and that you
are considering the possibility of a joint venture.
I am sure that you will find our company a most interesting
one to work with.

19 OCT 1981
10 11 12 13 14 15 16 17 18 19

It is our policy to have a high standard of service for all
our clients and we are sure that you will find our company
a most interesting one to work with. We are sure that you
will find our company a most interesting one to work with.
We are sure that you will find our company a most interesting
one to work with.

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one to work with. We are sure that you will find our company
a most interesting one to work with. We are sure that you
will find our company a most interesting one to work with.

Yours faithfully,
[Signature]

FILE

VLB

James PRIOR TTP

23/10

14 October 1981

I enclose a copy of a letter which we have had from Mr. James Prior, M.P., together with a copy of one from Brooke Marine Limited about their efforts to win an order in Oman.

I should be grateful for urgent advice about the suggestion that the Prime Minister should write to Sultan Qaboos on the subject of this contract, together with a suitable draft if you recommend that she should write. It would be helpful to have something from you by 23 October.

I am sending a copy of this letter and enclosure to Roderic Lyne (Foreign and Commonwealth Office).

M A PATTISON

D. T. Piper, Esq.,
Ministry of Defence.

DSG

FILE

VLB

14 October 1981

Thank you for your letter of 9 October, about Brooke Marine's hopes of obtaining an order for Naval ships from Oman.

I will place this before the Prime Minister when she returns from Blackpool.

M A PATTISON

The Rt. Hon. James Prior, M.P.

DJP

Michael

Jim Prior's Secretary
says that he has not written
to No. 10 on this subject
before, so we have no
previous papers - as far as we
know.

One can only assume that
JP has spoken to Tim
personally at some stage.
I telephoned ~~Tim's~~ home earlier,
but he is out until this
afternoon.

eWell



HOUSE OF COMMONS
LONDON SW1A 0AA

9th October 1981

Dear Tim

You will know that I have tried to help Brooke Marine of Lowestoft obtain an order for two Naval ships for Sultan Quaboos of Oman. At one time there were a number of countries and companies involved but now only one ship is to be built and Vosper Singapore are the only other company involved.

I enclose a letter I have had from Brooke Marine and hope very much that the Prime Minister will write to the Sultan accordingly.

Tim

Tim Lancaster, Esq.,
Private Secretary,
10 Downing Street,
London, SW1.

? GR/Political office?

Rec'd in C/F
14/10/81

BROOKE MARINE LIMITED

Established in 1874

SHIPBUILDERS AND ENGINEERS

A Member of British Shipbuilders

HEATH ROAD,
LOWESTOFT, SUFFOLK,
ENGLAND. NR33 9LZ

Telephone: Lowestoft (0502) 65221

Cables: Brookcraft, Lowestoft.

Telex 97145

Our Ref : AFP/SMS

7th October, 1981

The Rt. Hon. James Prior M.P.,
House of Commons,
LONDON,
SW1A 0AA.

Dear Jim,

Many thanks for your note of 25th September, confirming that you have made contact with Tim Creasey in Oman.

The latest situation is that they have now asked us to quote them for one ship only. This was not unexpected as we had heard that because of the massive expenditure involved in their new naval base they felt they could really only afford one ship at this time with the order for the second ship following in perhaps nine months time.

Unfortunately this new tendering exercise, for one ship only, will give Vosper Singapore an opportunity to reduce their price, they were much higher than our price for two ships and will know this in the same way that we know their price. However, I think we can still beat them.

Since we are the only UK company now involved it has become very important that Margaret Thatcher should write to Sultan Quaboos as was suggested earlier but at that time I.M.S. (Yarrow) were still in the game. Our new offer will be submitted to Oman on 14th October, and will remain valid for acceptance up to 30th November. We have spoken to MOD(Sales) in London and they have promised that the letter from Margaret Thatcher will be despatched to Oman by telex through our Ambassador but anything you can do to ensure this is done will be greatly appreciated.

I will keep you informed of our progress.

*Yours ever,
Allan*

DIRECTORS: A. F. PROUTEN C. BENTON F. M. HENDERSON BRIG. J. R. ANDERSON
C.ENG., F.R.I.N.A. C.ENG. M.R.I.N.A. BSc. (ECON), A.C.I.S. C.B.E.
M.I.E.S., M.I.MAR.E.
EXECUTIVE CHAIRMAN

Oman

(2)

f.s.

Prime Minister:

This was the contract for which you decided not to write to Sultan Qaboos. (Clearly a correct decision.)



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 2111/3 (Direct Dialling)

01-218 9000 (Switchboard)

Print 30/11

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27th November 1981

Dear Stephen,

Your Secretary of State has been following, I know, with great personal interest the progress of Brooke Marine's tender for the construction of a Landing Ship Logistic for the Sultanate of Oman. I thought I should write to enable you to inform your Secretary of State, that we have just heard from British Shipbuilders that the Sultan of Oman has directed that a contract should be placed with Brooke Marine for the LSL. I gather that we have been asked not to announce the order at this stage: we shall have to await the Omanis' agreement.

[Handwritten signature]

[Handwritten signature]

(J D S DAWSON)

S W Boys Smith Esq

30 NOV 1981

11 12 1
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CK X *[Handwritten signature]* Oman

29th October 1981

I am writing to thank you for your letter of 9th October addressed to Tim Lankester, about Brooke Marine Ltd.

Tim Lankester has been seconded to Warburgs for two years and this is why he is not replying himself.

The Prime Minister does, of course, understand the reasons why Mr Preuten wrote to you on 7th October.

The Prime Minister is being asked to write letters to an ever-increasing number of Heads of State and Government in relation to contracts. She is concerned lest, by using them too frequently, we devalue the value of letters at Head of Government level. Such communications ought to be seen by the recipient as something altogether exceptional.

The Prime Minister is always prepared to mention individual contracts during meetings with her opposite numbers. However, she feels that a letter "out of the blue" such as you propose, ought to be sent only in relation to contracts of major importance - ie. those whose value is in excess of £50 million.

However, on the Prime Minister's instructions I have sent a copy of your letter and its enclosure to John Nott, in case he considers it appropriate to write, himself, to the Sultan Qaboos.

Ian Gow
Parliamentary Private Secretary

The Rt Hon James Prior MP

cc. The Rt Hon John Nott MP



via PD
TRADE
CO

STH

10 DOWNING STREET

From the Private Secretary

27 October 1981

Dear Jonathan,

Landing Ship Logistic - Sultan of Oman's Navy

The Prime Minister has seen your letter to Mike Pattison of 19 October and the attached draft. As you are already aware, she has declined to write to Sultan Qaboos. You may think that the Secretary of State for Defence could usefully write instead.

The Prime Minister's reason for not writing is a feeling that she is being asked to write similar letters to an ever-increasing number of Heads of State and Government in relation to contracts of diminishing value. The Prime Minister is concerned to ensure that we do not, by using them too frequently, debase the value of letters at Head of Government level. Our aim must be to ensure that such communications are seen by the recipients as something altogether exceptional.

The Prime Minister is quite prepared to mention contracts during meetings with her opposite numbers and, if necessary, to have such references followed up subsequently. But she feels that a letter "out of the blue", such as that which you proposed, should be sent only in relation to contracts of major importance - say, those whose value is in excess of £50 million.

I am sending copies of this letter to Roderic Lyne (Foreign and Commonwealth Office) and, since it is a problem on which EX(O) might care to focus, to John Rhodes (Department of Trade) and to David Wright (Cabinet Office).

Yours sincerely

Michael Alexander

Jonathan Dawson, Esq.,
Ministry of Defence.

CONFIDENTIAL

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One

26 October 1981

Qaboos University

Thank you for your letter of 20 October on this subject. I have drawn it to the Prime Minister's attention. I have not, for the moment, discussed it with the Prime Minister's Press Secretary but will of course brief him if HM Ambassador's fears are realised.

MA

CS

Brian Fall, Esq.,
Foreign and Commonwealth Office.



(3)

10 DOWNING STREET

Prime Minister.

The prime reason for sending this letter is the Prime's anxiety to ensure that Brooke Raine get the contract. It may be that this will seem to you a sufficient reason.

However I am becoming concerned at the frequency with which you are being asked to sign letters like this. There is an increasing risk of debasing the currency so that when you wish to weigh in on a major contract your intervention will have less impact than it should. There should be a rule of thumb that you only intervene when contracts worth more than, say, £30 million are at issue.

If



10 DOWNING STREET

You decide to write, you should
begin

'Your Majesty'.

If you would prefer to resume
your fri, I am sure that the
Deputy Secretary would be
prepared to write instead.

And

Richard. - I can't
write for every single
contact. I am quite
impressed to mention them
when I am there or passing
a log with and then to let
to follow up of the cards but
not out of the line except for

very big contrast.



10 DOWNING STREET

THE PRIME MINISTER

I was delighted to learn from our Embassy in Muscat that Brooke Marine Limited have been shortlisted to meet your requirement for a Landing Ship Logistic.

Brooke Marine as you know are a company of international standing with considerable experience in building these particular types of vessels and have recently completed an order for similar vessels for the British Army. They consider that they have submitted a highly competitive proposal, one which complies with the specification issued and which they believe has been well received by your Navy. I have every confidence that should your Navy recommend that Brooke Marine should build this ship for them they would be well served, and for Brooke Marine, in these times of high unemployment in the Shipbuilding Industry, this order would be most welcome.

I am firmly convinced that for the ship to be built in the United Kingdom would be to our mutual advantage and would add to our excellent relations in the defence field.

/I need hardly

I need hardly say that should you opt for the vessel to be built in this country the company will have the full support of my Government.

His Majesty Sultan Qaboos bin Said, GCMG, GCVO.