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Prime Minister

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cc: D/Ind.

10 DOWNING STREET

THE PRIME MINISTER

9 August, 1982

Dear Mr. Nixon

Many thanks for your letter of 5 August. I was delighted to hear that you propose to manufacture the IBM Personal Computer at the Greenock plant and that as a result about 400 jobs would be created. I am sure that your decision will prove justified and I very much hope that it presages further an investment by IBM in this country.

I am glad that the Scottish Economic Planning Department and the Scottish Development Agency have proved helpful; as I told you, IBM are very welcome in this country.

Every good wish.

Yours sincerely

Raymond Delisle

E R Nixon, Esq., CBE

RM

IBM United Kingdom Limited

PERSONAL AND CONFIDENTIAL

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5 August 1982

Dear Prime Minister,

You may recall that when Mr Opel and I met you on July 5th one of the subjects we discussed was investment in the United Kingdom.

You will be pleased to hear that we have recently decided to set up a new activity in the United Kingdom to manufacture, market and service the IBM Personal Computer for the whole of Europe. Manufacture will take place at our Greenock plant in Scotland and we expect to deliver our first supplies at the beginning of next year. This is still confidential as we do not plan to announce until we have built up stock and established a dealer network.

Initially we expect to employ an additional 200 people and probably an equivalent number in our subcontractors. As I mentioned during our meeting, because of the large volumes anticipated, we hope to use some of the well known names in the industry as suppliers.

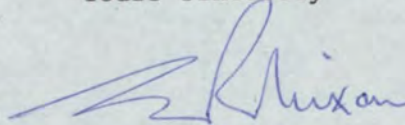
I would like to acknowledge the help we have already received from the Scottish Economic Planning Department and the Scottish Development Agency.

Mr Opel returned to the United States after his European visit with his EEC concerns only partially allayed. Nevertheless, I am confident that the United Kingdom will continue to be a country in which IBM will wish to invest.

The gloomy noises emanating from the CBI, I am happy to say, are not echoed in IBM United Kingdom. We are having a good year, reflecting, perhaps, that the limited investment of British industry is going into Information Technology, Automation and other areas where a contribution will be made to productivity and international competitiveness.

Again many thanks for your courtesy and help.

Yours sincerely



E R NIXON

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Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1

MT

6 July 1982

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Dear Prime Minister,

Thank you very much indeed for your courtesy and kindness in seeing John Opel and me yesterday. As you know he follows European affairs with a great deal of interest and it is very helpful to him to have the opportunity of hearing at first hand the views of the leaders of Europe. This is especially important when it comes to considering future investment in Europe. He was particularly gratified to hear you say so positively that IBM was welcome in the United Kingdom.

As may have been obvious, he is concerned about the EEC Statement of Objections in connection with our activities in Europe, the logic of which, to say the least, is tenuous. However, I believe that he will put these considerations aside when it comes to the immediate decisions regarding investment for the Personal Computer. I am hopeful that he will decide that we should build this in Europe, and indeed at Greenock.

In the medium and longer term, on the assumption that the EEC problem is overcome, I believe that the climate for further investment by the company in the United Kingdom is very good. Your comments yesterday were very helpful in reinforcing that view.

Again, many thanks for your time and your kindness.

Yours sincerely

E R Nixon

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