



DEPARTMENT OF TRANSPORT
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Prime Minister ²

The Rt Hon John Biffen MP
Lord President of the Council and
Leader of the House of Commons
Privy Council Office
68 Whitehall
LONDON SW1A 2AT

ms 18/1

17 January 1983

Dear John

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OFFER FOR SALE OF SHARES IN ASSOCIATED BRITISH PORTS HOLDINGS PLC

On 31 December the British Transport Docks Board was reconstituted as Associated British Ports (ABP) and Associated British Ports Holdings PLC (ABPH) was designated as its parent company. This was in preparation for the offer for sale of shares in the holding company and we are now about a fortnight away from the planned date for the offer.

In the run up to the flotation and during the period of the offer (about 10 days) there is a danger that Ministers may make comments about ABP or about the British ports industry in general which, while innocuous in any other circumstances, might be taken by prospective purchasers as relevant to the flotation and which could, in the extreme, result in the withdrawal of the prospectus or render the Government liable to legal proceedings for misrepresentation.

I should therefore be grateful if you and our colleagues could exercise particular care in making comments or statements in respect of ABP or ports in the period until the flotation is complete. This applies both to statements in the House and those made elsewhere.

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The success of the flotation will be best pursued if it is presented to the investing world in very much the same way as any other issue and through concentration on the financial position of ABPH rather than on the political controversy associated with privatisation. I therefore strongly advise that we should avoid any statement in respect of ABPH that is likely to stir up the political feelings that are never far from the sale of public sector assets. Until the flotation is completed, I hope that the Government as a whole will take a low profile on the sale.

I am addressing this letter to you in view of your responsibilities for Government information. I am copying it to the Prime Minister, other members of Cabinet, the Chief Whip and Sir Robert Armstrong.

*Yours
David*

DAVID HOWELL

17 JAN 1983

