

CONFIDENTIAL

PRIME MINISTER

BL

Two things.

First, news of Sir Austin Bide's replacement has begun to leak. Mr. Channon thinks an announcement ought to be made next week. He will try to have a moment with you to discuss that, between Cabinet and ODI.

Secondly, you may want at MISC 126 to agree a form of words which can be used after Cabinet about the discussions on BL. One possibility might be as follows:

"A group of Cabinet Ministers this morning reviewed progress towards the sale of Land Rover-Leyland and a report was made to Cabinet.

Cabinet took note that the negotiations between BL and GM were continuing and that other parties expressing an interest had been asked to declare by 4 March their firm intention to make an offer. All offers would be considered ~~seriously~~ and further discussions with the parties would then be held as necessary. Cabinet agreed that it was in the best interests of the commercial vehicle industry in this country to return Land Rover-Leyland to the private sector. They agreed that ~~a~~ decision should be reached as quickly as possible in the interests of the companies and their employees."

*DN*

(DAVID NORGROVE)

26 February 1986

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*As well*  
*no decision can be taken*  
*following Mr. Rand*

*DS*

(DAVID NORGROVE)

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