

RESTRICTED



FILE  
DA

10 DOWNING STREET

From the Principal Private Secretary

4 December 1986

Dear Clive,

DROPS

I write to let you know of a telephone call received by Simon Dugdale here in our press office today. Mr. David Stride, who described himself as a former director of Boughtons, told Simon Dugdale today that if his former company did not receive the DROPS contract, they would make allegations of bribery and corruption going well up within MOD. He alleged Mr. Heseltine knew about the matter. When Mr. Stride was asked why he was ringing No.10 about this, he said, I am afraid to say, that Christopher Monckton, formerly of the Policy Unit, had spent some time with his firm, at his (Stride's) invitation, and would no doubt have briefed the Prime Minister.

Brian Griffiths tells me that the Policy Unit can find no trace of Monckton's interest in this company in their papers. He has left No.10 and now works for the Today newspaper.

I leave you to take any action you think fit as a result of this phone call. Mr. Stride gave his telephone number as 581-3484.

*his only*  
*Nigel Wicks*

(N.L. WICKS)

P.S. Since dictating this letter, I have been shown a letter which Monckton has sent to Stephen Sherbourne, the Prime Minister's Political Secretary, about this case. I attach a copy of Monckton's letter, but not of its voluminous attachments. Our press office sent Helm in MOD press office these papers late in November.

Sir Clive Whitmore, K.C.B., C.V.O.

RESTRICTED

dg

# TODAY

Allen House, 70 Vauxhall Bridge Road, Pimlico, London SW1V 2RP.  
Telephone: 01-630 1333 (Sales & Advertising) 01-630 1300 (Editorial)

25 November, 1986.

Dear Stephen,

## BOUGHTONS LTD. v. MoD

We spoke briefly about Boughtons this morning. The firm consider that they have been unfairly treated in a competition to supply palletised loading and unloading systems to MoD, and they say MoD selected equipment which was of a lower specification than theirs, offered at higher prices and in most important respects inferior. The attached sheet sets out some of their grievances.

The issue was given a thorough airing on Panorama in July. Some weeks before the programme was broadcast, a consultant to Boughtons saw my name in the papers in connection with the short/fat inquiry and asked if I could help Boughtons as well. I said No, but listened to what they had to say. From the papers they showed me, the Panorama programme is in substance correct: but I have not heard the MoD's side of the case, except insofar as it appears, rather skimpily, in the attached bundle of letters.

There is now a danger of a hefty row in the newspapers. Trafford Boughton, the chairman of the firm, told me on the telephone last month that a senior MoD general had telephoned him and urgently requested him to write and fax to MoD a letter (no. 1 in the bundle) dissociating himself and his firm from the Panorama program and saying that the firm had no quarrel with MoD's decision. Mr. Boughton tells me that he understood this "request" to be supported by an implicit threat that, if he failed to comply, he would lose other MoD business for which he was tendering.

You will see from letters 3, 4, 5, 7 and 8 that both George Younger and David Trefgarne had repeatedly tried to maintain that Mr. Boughton had written "on his own initiative". Letter 6, from Mr. Boughton to Ian Gilmour, shows that he had, in fact, written at MoD's urgent request. Panorama say they did not mention the letter on the programme, although MoD had asked them to do so, because they were aware it had been obtained under what amounted to duress.

*Mike Horne*  
*At the Chris Monaghan*  
*had me this morning was*  
*that this was an*  
*idea to surface in the press..*  
*I therefore thought MoD should*  
*be alerted.*  
*collected MOD*  
*held*  
*with SS*  
*for*  
*Stephen*  
*25/11.*

Letter 9, from Richard Ottaway, smokes MoD out by asking David Trefgarne explicitly whether anyone at MoD had written, telephoned or in any way communicated with Mr. Boughton inviting him to write a letter dissociating himself from the forthcoming Panorama programme. In letter 12, David Trefgarne admits the truth. And in letter 15, Mr. Boughton wrote to Richard Ottaway setting out in full the circumstances of the conversation with the General at MoD.

Matters then became a great deal worse. David Trefgarne summoned Richard Ottaway and pointed out to him that, as a PPS and hence "a member of the Government" he should accept Ministerial assurances that all was well and should not continue to pursue the matter. As Ian Gilmour points out in letter 17, this is a scandalous breach of parliamentary privilege. If it becomes public, David Trefgarne will have to resign.

I found this part of the story so hard to believe that I asked Richard Ottaway to confirm it first by telephone and then in writing. His letter to me is no. 18. In letter 21, George Younger tries to reassure Ian Gilmour that "it was in no way David's intention, or mine, to "warn off" Richard Ottaway", but that is not how Richard saw it.

Letters 22 and 23 show that Ian Gilmour and Trafford Boughton are both asking, as they have repeatedly asked before, for either a new competition with at least some assessors independent of MoD or an independent inquiry into the entire affair.

The Conservatives are the party of defence, and we do not want any more scandals in MoD to damage our electoral chances in the coming months. I cannot keep this out of our newspaper for long, as Boughtons and their consultants have been talking not only to Panorama but also to several other papers and the story is bound to break soon. It would be best if, before it does, Ministers clear the decks by agreeing to an inquiry. If matters are as fine and dandy as they believe, they have nothing to fear from an inquiry, which, as Ian Gilmour points out, could be held very quickly and cheaply. If, as I believe from what I have seen so far, there is something badly askew, Ministers will be seen in a more respectable light because they have had the courage to hold the inquiry.

I leave it to your discretion to decide whether the PM should be warned of this latest development in the Boughtons case. Usually, she prefers to be told these things, though there is a school of thought (misguided, I think) among the Private Secretaries which holds that she can escape difficult parliamentary questions about matters she hasn't been told about. Westland might have taught them to rethink that one.

### **SHORT/FAT SHIPS**

I hear from a reliable contact that the Treasury Solicitor's office believe British Shipbuilders will lose the short/fat ships case, which finally comes to trial in January. What, you may ask, is TSol doing looking at a case which, according to MoD, has nothing to do with them and hence doesn't involve the Government? Answer: the case does involve the Government, and TSol has, therefore, been following it closely from the start. The buzz is that at least one very senior former MoD official may end up in prison unless he's careful - and those Defence Ministers who believed their officials and resisted the plaintiffs' pleas for assistance and protection may end up looking very silly indeed.

One defence scandal would be bad enough: two could be electorally fatal. Please do what you can to make sure that George Younger (and, if necessary, the PM) knows the danger. If there's not much else going on in the Press when these stories break, either of them could perhaps turn rather nasty on us. And, more important, in both cases I think an injustice has been done which ought to be put right.

With all good wishes, and many apologies for being "the first bringer of unwelcome news".

Yours ever,

**CHRISTOPHER MONCKTON**  
Assistant Editor.

Stephen Sherbourne, Esq.,  
10 Downing Street, London, SW1.

GROUNDS FOR ATTACK  
MoD DROPS CONDUCT

MoD called for a FEASIBILITY STUDY and asked for PRICES to be provided for feasibility demonstrator/trials equipment in order to take the project on to the production procurement stage when a further round of competitive tendering would take place, possibly against a revised specification

MoD selected equipment which was :-

- A) of a lower specification than Boughton's (i.e. of less inherent "value" )
- B) offered at MUCH higher prices than Boughton's intrinsically more valuable equipment,
- C) in virtually every respect inferior to Boughton's equipment in terms of its compliance with the STATED requirements

In making the selection, MoD :-

- A) neglected to verify the most important issues of the overall compliance with the STATED requirements,
- B) introduced NEW and arbitrary "requirements" which :-
  - i ) were designed to favour systems other than Boughton
  - ii ) were irrelevant or wrong
  - iii ) were at variance with EITHER, established MoD policy, OR established MoD "expert opinion",
  - iv ) are NOW seen to be incompatible with achieving the STATED requirements for DROPS

In dealing with complaints and enquiries since the decision MoD (or its responsible Ministers) has/have :-

- A) lied to M.P s about the relative prices of the competing equipments,
- B) lied about the compliance of the equipments to the requirements of the competition,
- C) intimidated Boughtons to suppress their legitimate complaints,
- D) lied to M.P s about crucial issues touching on this intimidation

In continuing regardless with its procurement programme, MoD :-

- A) may be breaching an undertaking given by Mr Pattie,
- B) may be rendering itself liable to substantial damages in law
- C) may be acting improperly in refusing to consider the available equipment which is possibly still the best, the best proven and the cheapest equipment to meet its requirements
- D) may be knowingly incurring substantial hidden future costs rather than admit it made a mistake.

1

Fax No: 02404 5

Telex B3132 TT

Tel No: 02404 44

Group of Companies  
Lane  
Worslem  
ocks. ENGLAND

TIB/MJW

Major General S.R.A. Stopford M.B.E.,  
Ministry of Defence  
St. Christopher House  
Southwark Street  
London SE1 0TD. Ministry of Defence

30th June, 1986.

FORTHCOMING PANORAMA PROGRAMME

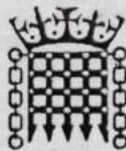
I am writing to you to say that this Company has taken no part in the forthcoming programme and we have requested that this is made clear in the presentation.

I would like to say that we recognise the prerogative of the Ministry of Defence in their choice of equipment and we have no quarrel with the decisions taken. There is the ongoing matter of the interpretation of Mr. Geoffrey Pattie's letter of 22nd May 1984. I have no doubt that this will be amicably settled between the Department and my Company.

Message: See letter attached

T. TRAFFORD BOUGHTON

*Handwritten signature*



2

HOUSE OF COMMONS  
LONDON SW1A 0AA

11 July 1986

*Dear George.*

I am writing about the long running saga of Boughton's and DROPS, which was featured in Panorama this week.

I set out the case in my letters to Michael Heseltine of June 1983 and 14 February 1984, and I have little to add except to say that the case has never been answered and that **the affair smells increasingly nasty** as the years go by. It could and should have been cleared up in 1983, when Boughton's should have been added to the trialists and there should have been an enquiry into what had gone wrong.

Unfortunately, the Ministry of Defence, stretching I fear to quite near the top, decided to **close ranks and cover up**. The most respectable, if still unacceptable, reasons for that were umbrage and mistaken loyalty. To judge from Panorama that is still the attitude - and I am deeply sorry that David Trefgarne said some of the things he did - but I do not think it can be allowed to persist. It is clearly ridiculous to pretend that nothing went wrong; **obviously a great deal went wrong**.

There is now the further difficulty which was touched on in the programme: firms now have every reason to fear giving the Army their best ideas. **I am therefore asking you to set up an independent enquiry**. In view of the way the Ministry has behaved up till now, an internal one would be more or less valueless. **An independent enquiry is the very least that is needed to restore confidence** in the procurement process.

And I am also asking you to enquire into the way Geoffrey Pattie's clear undertaking about the use of Boughton's ideas is apparently being broken. It is contemptible to pretend that they were not Boughton's ideas. Of course they were, and the sort of defence that MoD seems now to be peddling could have been erroneously used about any invention.

I am quite confident that nothing so disgraceful as the DROPS events could have taken place during your and my days in the Ministry during the 1970s, and I know that nothing of the sort will take place from now on. In my letter of February 14, 1984, I told Michael that the issue will not go away. I look to you to take action that should have been taken three years ago.

There is one last deeply disturbing matter, which is the subtle - and not so subtle - attempted intimidation of Boughton's. I do not have to tell you that I regard the letter written by Mr. Boughton not as an exoneration but as a condemnation of certain elements in the Ministry.

you ✓  
/a

The Rt. Hon. George Younger, MP,  
Secretary of State,  
Ministry of Defence.





3

MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

TELEPHONE 01-218 9000  
DIRECT DIALLING 01-218 6169

D/S of S/213/85

7 August 1986

*Sir Ian,*

Thank you for your letter of 11th July about the DROPS/  
Boughton affair and the Panorama programme on 7th July.

I was, of course, very sorry to see that you and Peter Mills continue to share a strong conviction that Boughtons suffered major injustices in the DROPS procurement process and that they have been the victims of skulduggery. But I am bound to tell you that successive examinations by Ministers here over the last three years, as well as enquiries conducted by the Chief of Defence Procurement, revealed utterly no evidence that anything of the kind happened. Moreover, in my own consideration of the matter, I have been struck by the remarkable absence of any credible explanation as to what prompted the Department to single out Boughtons for such ill-treatment and to reject what are alleged to be ready-made best solutions to the Army's procurement requirements. Incompetence might, I suppose, be thought to be part of it, but

The Rt Hon Sir Ian Gilmour Bt MP



frankly I found the other explanations advanced in the course of the Panorama programme to be quite unconvincing.

Given all the past enquiries, I did not find that it advanced matters at all to persevere - as I fear the Panorama programme did - with a series of over-generalised assertions and highly selective points, most of which have been examined and answered so many times before. Whilst it is obviously for the BBC to justify their approach, we noticed that the programme reflected little of the full scale presentation on the DROPS procurement process which we gave the producer and his team in May or of the subsequent "no-holds barred" two hour question and answer session with our experts. During this, authoritative technical and other explanations were offered on virtually every critical aspect later featured in the programme, including the charge of being in breach of our undertakings and obligations regarding Boughtons' intellectual property. I do not, of course, know what fresh grounds you have for repeating this charge now, but I hope you are aware of **the dialogue which our Patents Directorate has been conducting very conscientiously with the Company** and its appointed Patent Agents since last January in pursuit of our undertaking; and that you will know that **the evidence offered so far has been unable to sustain any of the claims made** and, despite continual promptings on our part, nothing more has been forthcoming.



You describe the allegations made in the programme about the Ministry's attempted intimidation of Boughtons as deeply disturbing. Indeed they were, but I believe them to be completely without foundation. Mr Trafford Boughton's letter was sent entirely at his own initiative well before the programme was screened and I must point out that it was wholly consistent with the position he took as long ago as May 1984 following his discussions with Geoffrey Pattie. Moreover, I have to observe how, despite being declared frankly to the Panorama producer at the time and in spite of David Trefgarne's reference to it in his recorded interview, the letter got no mention at all in the programme. !

You have asked me to consider establishing a further and independent enquiry into all these allegations. I have to say plainly that, on the evidence now available to me, I do not believe that any kind of case for an enquiry has been made out or that it would be justified to spend yet more Ministerial time and other effort pursuing these old grievances. This is particularly so when the Chairman of the Company alleged to have suffered all these injustices has put it on the record that he has no grievances which would form the basis for an enquiry and when their pursuit could only be at heavy expense for the taxpayer and with serious delay in satisfying urgent operational capabilities.



I am, nonetheless, very concerned that we should have failed so signally to persuade you that we have acted in good faith in this affair. I feel I must make one further attempt to put this right. I have asked the responsible officials here to prepare a comprehensive presentation for me on the DROPS procurement programme - including the Boughton dimension - which will enable me to meet my own responsibilities and provide me with the opportunity to get answers at first hand on any outstanding issues. I am hoping that this will be held in September and I should very much welcome it if you and Peter Mills - to whom I am also writing - could accept an invitation to be present to hear for yourselves the Department's account and explanations. I really cannot think of any more promising way in which we might be able to dispel all the clouds of suspicion that have been generated. Perhaps you will let me know if this will be helpful, so that we can arrange a convenient date.

Yours very,

George Younger



Minister of State  
for Defence Procurement

D/MIN/DGT/MP/5208

MINISTRY OF DEFENCE  
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4

11 August 1986

Dear Richard,

Thank you for your letter of 9th July about the Panorama programme on DROPS. I had indeed noted your past interest in this case.

As you recognise, I could not agree either that the Panorama programme was balanced or that it succeeded in presenting any real case for its assertions of Boughtons having suffered a major injustice at the Department's hands. It seemed to me that much of the programme consisted of a now familiar mix of old assertions which have failed to pass the inspection of Defence Ministers so many times previously and a number of highly selective points taken out of their vital context. Moreover, whilst I note your remarks about Panorama's resort to so-called independent assessors, I fear that, without knowing what factual or briefing information was provided to them, I should have to treat their views with the greatest caution. For example I had to notice that Mr Tidbury's views on technical matters were solely addressed to questions of the competence of Boughton's designs, whereas what was really at issue in a competition adjudication was their merits relative to those of the eleven other contenders. As another example, I noted that Mr Shaw's evidence on prices made the quite crucial admission that the

/ Boughton ...

Richard Ottaway Esq., MP

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⑤  
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Boughton production estimates were considerably more expensive than their competitors' which is, frankly, all that we have ever claimed. But it seemed odd that the programme then went on to try to dismiss a significant difference like this in a competitive procurement exercise by asserting that Boughton's competitors were less professionally competent in this area of performance and that, therefore, their production estimates were largely guesswork. The truth of the matter is that, three years on from the competition and despite the inevitable changes in specifications brought about by trials and other experience, our chosen firms' prices still compare favourably with anything Boughtons offered.

In the light of the evidence available I fear I can offer you no prospect of an independent inquiry being set up to consider these old and largely discredited charges. This could not take place without involving the taxpayer in major extra costs and damage to the progress we have made towards satisfying urgent defence requirements.

Moreover, I do not understand how it is thought to be open to us to pass Ministerial responsibilities for the defence procurement process and decisions to some other body and consider grievances which are now disowned by even the supposedly aggrieved party. The fact is that Mr Trafford Boughton wrote to us on 30th June disassociating himself from the programme and making it clear that his company not only recognised the Ministry's duty to make difficult decisions like these, but also that it had no quarrel with the ones that were taken in this case. The lack of even-handedness in the Panorama approach is, perhaps, best evidenced by the fact that, despite being well known to the Panorama team and being mentioned in my own recorded interview, these formal Boughton views got no recognition in the programme that went out.

*Yours,*

*David*

Lord Trefgarne



Minister of State  
for Defence Procurement

D/MIN/DGT/MP/5247

MINISTRY OF DEFENCE  
WHITEHALL LONDON SW1A 2HB

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5

20 August 1986

Dear George,

Thank you for your letter of 17th July enclosing one from Mr P L Cove of Ridgeway Industrial Estate, Iver, Buckinghamshire, concerning the Panorama report on the Army's DROPS vehicle programme.

The Panorama presentation has given rise to a number of quite wrong impressions of the Department's approach to this procurement and its consideration of the Boughton equipment. I hope I can put matters in a truer perspective for Mr Cove on a number of the points he has made.

The first is the suggestion that Easams, who provided management consultancy support in the DROPS competition to the Department's procurement staff, had no experience in this field. That is simply not the case at all. Easams have undertaken a variety of assignments previously for the Department including in particular ones related to the Services' logistic task and vehicle requirements. A further important factor is that they had no commercial links with the competing firms or the industry generally.

/ Boughtons ...

Sir George Young Bt, MP

Boughtons have never been denied any opportunity to compete. The firm put forward its equipment in the 1982/83 procurement competition for assessment on an even-handed basis with those of its competitors and against a broadly stated set of requirements. Over 20 firms entered this competition initially and Boughtons not only got every consideration, but actually made our final short list of five. The crucial point which did not come out sufficiently in the Panorama report, however, was that the Department's assessments had to be competitive ones ie our selection of the equipment to go forward into the next stage of extended operational trials and evaluations had to be of the best of the equipments offered. The line drawn was not a narrow one as our final choice of two separate vehicle manufacturers (with two vehicle types each) and three load handling systems will demonstrate. Moreover, I am sure you will understand that, in fairness to all the other competitors and our primary responsibilities to the Army and the taxpayer, it was not open to us to award Boughtons some privileged position in the selection process solely by virtue of its earlier associations with the Army trials. The plain fact is that the Boughton proposals were beaten on their merits by better contenders and the Panorama suggestion that they should have been allowed through if only to set "benchmarks" for their competitors is a gross misappreciation of the circumstances and the business.

Mr Cove suggests that, in some way, the Department has "stolen" Boughton ideas. The position here is that the Army's DROPS concepts and requirements represented the fruit of studies and experiments by its logisticians and defence research staffs over more than a decade. Boughtons had no role as a development contractor in this process: the firm's contribution was a worthy but essentially limited one of supplying a small number of commercial load handling systems - the Ampliroll system mentioned in the programme which is French in its origins - for the Army's trials.

/ Finally ...



Finally I should like to make it clear that I and my colleagues fully understand the hopes and disappointments which are involved for firms in their efforts to get our defence business. The competitive process is essential to make sure we get value for money equipment and, inevitably, there will always be more losers than winners in each competition. It is very important to us that this process is orderly, reputable and fair and Defence Ministers over the last three years have spent a great deal of time and effort in reviewing the DROPS procurement story to make sure that the firm was properly treated. Absolutely no evidence of any injustice or impropriety has been found. Moreover, you should know that in June Boughton's Chairman wrote to the Ministry on his own initiative to put on record the fact that his company wished to disassociate itself from the Panorama programme and that it had no quarrel with the decisions made by the Ministry in this case. It is a great pity that this got no acknowledgement in the broadcast. My own reference to this point, and much else, was edited out.

Yours,  
David.

Lord Trefgarne

6

HOUSE OF COMMONS  
LONDON SW1A 0AA

4th September 1986

July 1986

TTB/MJW

*Mr Boughton*

I enclose a copy of my letter to

The Rt. Hon. Sir Ian Gilmour, Bt., M.P.,  
House of Commons  
London SW1A 0AA.

... anything to report.

With good wishes.

12th September, 1986.

*[Faint signature and text]*

DROPS

Thank you for your letter of the 4th enclosing your correspondence with George Younger.

I would like to point out that **Mr. Younger has been misinformed** when he states "Mr. Trafford Boughton's letter was sent entirely of his own initiation well before the programme was screened" The facts are that **I was approached by a good friend of mine a retired Colonel**, at the Aldershot show, who told me that it may be in the firm's best interests if I would write to the Procurement Executive saying that the firm had had no part in the production of the then forthcoming Panorama programme. I duly considered this and decided not to write. However, **I was telephoned early on the morning of 30th June by General Steven Stopford**, who requested that **I fax a letter to him urgently in view of the Panorama programme** which was to come out on the 7th July, hence the letter. I have not told anyone else who telephoned me, I have had an excellent relationship over the years with General Stopford.

Yours sincerely,

T. TRAFFORD BOUGHTON.

.../2



Minister of State  
for Defence Procurement

D/MIN/DGT/MP/5208

MINISTRY OF DEFENCE  
WHITEHALL LONDON SW1A 2HB

Telephone 01-218 6621 (Direct Dialling)  
01-218 8000 (Switchboard)

7

30 September 1986

Dear Richard,

Thank you for your further letter of 1st September about the Panorama programme on the DROPS/Boughton affair.

I am not quite sure that I understand what you mean by the Department "soliciting" Mr Trafford Boughton's letter. Mr Boughton wrote as he did in his full independent authority as Chairman of the Company and in the light of his own perceptions and views of its interests.

I must say plainly that throughout the whole of this unhappy business, the Department has been at pains to maintain normal, amicable relationships with the firm and its Chairman. As I am sure you will understand, in this we have been concerned to distinguish between answering representations made very properly on their behalf about their business with us and those made without their authority or knowledge by others. And we have been concerned also to avoid saying or doing anything in our public defences and replies which might do lasting harm to the firm's interests or reputation. In this context Mr Trafford Boughton told us in May and subsequently that his Company did not wish to be associated with the Panorama enquiries and programme and he indicated that he might wish to put this on record with us. In no way, however, could these contacts reasonably be interpreted

/ as ...

Richard Ottaway Esq. MP

as constituting any form of solicitation by the Department. Indeed you will note that Mr Boughton's letter gave no indication of any previous approach by the Department, formal or otherwise, and its terms went considerably beyond mere disassociation from the Panorama enquiry.

I hope that what I have said will **put paid finally** to this suggestion or any similar ones about our having **"pressured"** Boughtons into silence.

Yours,  
David.

Lord Trefgarne



8

MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

TELEPHONE 01-218 9000

DIRECT DIALING 01-218

D/S of S/215/86E

3<sup>rd</sup> October 1986

commercial load handling system - the  
in the programme, which is being in  
trials.

Dear Michael,

Thank you for your letter of 2nd September enclosing one from your constituent Mr J D Taylor about the Panorama report on the Army's DROPS vehicle programme. of its competitors and against a

As you will have appreciated, I am sure, from your own knowledge of this project, the Panorama presentation has given rise to a number of quite wrong impressions of the Ministry of Defence's approach to this procurement and its consideration of the Boughton equipment. I hope I can put matters in a truer perspective for Mr Taylor on a number of points he has made. their own evaluations

In the first place Mr Taylor can be reassured that **there is no question of the Ministry having taken over patents or any system invented by Boughton.** The Army's DROPS concepts and requirements represented **the fruit of studies and experiments** by its military logisticians and defence research staffs **over more than a decade.**

privileged position in the selection  
of its earlier equipment with the Army

The Rt Hon Michael Heseltine MP



Boughtons had no role as a development contractor in this process; the firm's contribution was a worthy but essentially limited one of supplying a small number of commercial load handling systems - the Ampliroll system, mentioned in the programme, which is French in its origins - for the Army's trials.

The second point I might make is that Boughtons have never been denied any opportunity to compete. The firm put forward its equipment in the 1982/83 procurement competition for assessment on an even handed basis with those of its competitors and against a broadly stated set of requirements. Over 20 firms entered this competition initially and Boughtons not only received every last consideration, but actually made our final shortlist of five. The crucial point which did not come out sufficiently in the Panorama report, however, was that the Department's assessments had to be competitive ones ie our selection of the equipment to go forward into the next stage of extended operational trials and evaluations had to be of the best of the equipments offered. The line drawn was not a narrow one, as our final choice of two separate vehicle manufacturers (with two vehicle types each) and three load handling systems will demonstrate. Moreover I am sure you will understand that, in fairness to all the other competitors and our primary responsibilities to the Army and the taxpayer, it was not open to us to award Boughtons some privileged position in the selection process, solely by virtue of its earlier associations with the Army trials. The plain fact is that the Boughton proposals were beaten



on their merits by better contenders, and I have to consider the Panorama suggestion that they should have been allowed through if only to set "benchmarks" for their competitors as being a gross misunderstanding of the circumstances and the way business is that conducted.

In the light of the above I am sure your constituent will understand that the competitive process is essentially to make sure we get equipment which represents value for money and, inevitably, there will always be losers as well as winners in each competition. It is very important to us that this process is orderly, reputable and fair and, as you will recall, Defence Ministers over the last 3 years have spent a great deal of time and effort in reviewing the DROPS procurement story to make sure that the firm was properly treated. Absolutely no evidence of any injustice or impropriety has been found. Moreover I have to tell you that, in June, Boughton's Chairman wrote to the Ministry on his own initiative to put on record the fact that his Company wished to disassociate itself from the Panorama programme and that it had no quarrel with the decision made by the Ministry in this case. It is a great pity that this received no acknowledgement in the broadcast.

Finally the suggestion which has been made that EASAMS, who provided management consultancy support in the DROPS competition to the Department's procurement staff, had no experience in this field



is simply not the case at all. You may recall that EASAMS had undertaken a variety of assignments previously for the Department including, in particular, ones related to the Services' logistic tasks and vehicle requirements. A further important factor is that they had no commercial links with the competing firms or the vehicles generally.

I do hope that this will help put matters in a truer perspective for Mr Taylor.

*Yours truly,*

*George*

... your own  
 ... the Panorama  
 ... Ministry of Defence's  
 ... and it George Younger of the Brighton  
 ... matters in a truer perspective (a)  
 ... he has said.



From: RICHARD OTTAWAY, M.P.



9

HOUSE OF COMMONS

LONDON SW1A 0AA

Office: 01 219 4017

13th October 1986

Your ref: D/MIN/DGT/MP/5208

Lord Trefgarne  
Minister of State for Defence Procurement  
Ministry of Defence  
Whitehall  
LONDON SW1A 2HR

Thank you for your letter of the 30th September on the DROPS/Boughton affair. I feel that your letter has somewhat talked around the point I was trying to establish which I put to you again.

Did anyone, in say the 2 weeks before the broadcasting of the Panorama programme, write, telephone or in any way communicate with Mr Trafford Boughton, the Chairman of Boughtons inviting him to write a letter dissociating himself from the Panorama programme ?

I hope this is put in a simple enough manner to elicit a 'yes' or 'no' answer. I hope a reply can be produced a little more speedily than the last letter.



Minister of State  
for Defence Procurement

D/MIN/DGT/5/4

MINISTRY OF DEFENCE

WHITEHALL LONDON SW1A 2HB

Telephone 01-218 6621 (Direct Dialling)  
01-218 9000 (Switchboard)

10

23<sup>rd</sup> October 1986

Dear Ian,

George Younger has asked me to reply to your letter of 13th October.

As you say the presentation about the DROPS procurement has now been firmly fixed for next Monday and I do hope that this will provide the opportunity to put your concerns and those of colleagues to rest. The briefing is going to cover as much as possible all the major issues which have arisen concerning the Department's competition and selection. I very much hope also that there will be adequate opportunity for you and your colleagues to put particular questions to us.

In these circumstances I believe you might accept that we should not try to engage in further extensive rounds of commenting and reply in advance of the briefing session. I do not think that many of the questions really lend themselves to Yes/No treatment or that it would help you if we attempted them that way. And, with so little time available - your letter only arrived last Friday - it really is not practical for us to undertake all the work normally needed to provide a decent considered reply.

/ There ...

The Rt Hon Sir Ian Gilmour Bt, MP

There is one final point I must make. A number of the questions specifically ask us to provide in documentary form detailed volumes of technical or commercial information about the proposals made by Boughton's competitors. There is a very real difficulty for us here and, with the best of wills, I have to say that I cannot see at the moment how we could possibly meet these demands at all readily without breaching our obligations to others.

I look forward to seeing you on Monday.

- L  
Yours,

David

Lord Trefgarne



11

HOUSE OF COMMONS  
LONDON SW1A 0AA

23rd October 1986

*Mr. Sand,*

Thank you for your letter of today.

I am very sorry indeed that the decision has been made not to answer the questions that I put. With respect, contrary to what you say, **nearly all the questions can be answered by "yes" or "no"**, and I think those answers would have been extremely useful not only to Peter Mills and myself but also to George Younger, yourself and other people in the Ministry of Defence.

I take your point, of course, about commercial confidentiality. Obviously I would be prepared to give any undertakings that were necessary, and the difficulty may be got round by not giving the answers in writing. As you probably realise, I have had much of the relevant information for a long time and have of course preserved total confidentiality.

There is one final point: you talk about resolving my "concerns" and those of my colleagues. That is not the point. I do not have "concerns"; I have been closely involved in this matter for a number of years and I have a good deal of knowledge of it. To be brutal, it is not my concerns that you should be worrying about but what has been done by the Ministry of Defence.

*Yours* ✓  
*I*

The Lord Trefgarne,  
Minister of State for Defence Procurement,  
Ministry of Defence.



Minister of State  
for Defence Procurement

MINISTRY OF DEFENCE  
WHITEHALL LONDON SW1A 2HB  
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12

D/MIN/DGT/MP/5208

24<sup>th</sup> October 1986

Dear Richard,

Thank you for your further letter of 13th October concerning DROPS.

To the best of our knowledge Mr Trafford Boughton's only official contact with the Department in the period you mention on this subject was a telephone conversation he had with the Director-General of Fighting Vehicles - Major-General Stephen Stopford - towards the end of June. My earlier letter explained the background to this. General Stopford has no doubt whatsoever it was Mr Trafford Boughton's own idea to write to the Department as he did.

Yours,  
David

Lord Trefgarne

Richard Ottaway Esq. MP



13

HOUSE OF COMMONS  
LONDON SW1A 0AA

29th October 1986

*In reply,*

Thank you for inviting me to Monday's presentation which was much more revealing, in more ways than one, than I expected. This is not the time to mount a critique of it, but some of the things we heard made an interesting commentary on facts in my possession and indeed on page 3 of your letter of 7th August to me. And I was, of course, grateful to be told how the Procurement Executive works!

As you know, I asked Michael Heseltine to set up an independent enquiry three years ago. What a lot of time and trouble would have been saved, had he done so! I am still convinced - indeed more than ever after Monday's presentation - that such an enquiry is the right solution. If the Procurement Executive are sure of their case, I cannot see why they should object. Indeed I should have expected them to welcome an independent enquiry, which if they are right would vindicate their decisions and their activities. Of course time is an important factor. But I am pretty sure that a competent assessor would ascertain the true facts in a matter of days.

There is a great deal of newspaper interest, and I have done what I can to "disalert" them. But I don't know how successful I will prove to have been. Quite apart from anything that might happen on our side, MOD is itself notoriously leaky. It would, in any event, be helpful if we could have the transcript of the presentation very quickly - and if there is a transcript of the discussion afterwards that would be useful too.

*Yours* ✓  
✓

The Rt. Hon. George Younger M.P.,  
Secretary of State,  
Ministry of Defence.



Minister of State  
for Defence Procurement

D/MIN/DGT/5/4

MINISTRY OF DEFENCE  
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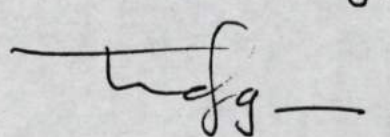
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10<sup>th</sup> November 1986

Dear Mr Boughton,

As I am sure you are well aware, in the wake of the Panorama programme George Younger and I have been responding to further representations about the DROPS procurement competition of 1982/83.

I believe it would be very much in our mutual interest to meet to discuss the situation and get a clear idea of how we all stand. If you could possibly lend yourself to this I should be most grateful, and if you agree I will ask my office to arrange a convenient time.

Yours sincerely,  


Lord Trefgarne

T Trafford Boughton Esq.

15

TTB/MJW

PRIVATE AND CONFIDENTIAL

Mr. Richard Ottaway, M.P.,

~~Williams and Crump~~

4th Floor

9 St. Helens Place

London EC3A 6AE.

William A. Crump

11th November, 1986.

Dear Mr. Ottaway,

I am writing as requested to clarify the position concerning my views on the DROPS issue and the accuracy of what is being imputed to me.

As you know from your own experience, we have been deterred in the past from pursuing any line critical to the M.O.D. in fear of the consequences of such action. Added to this is the fact that when I met Mr. Pattie at Shrivenham in April 1984 I agreed to ask Sir Ian Gilmour and others in the House of Commons to allow the whole question of an enquiry on the subject of DROPS to be put to rest in exchange for certain assurances from the Minister among which was that "there would be no unauthorised use by the Ministry of any original ideas Boughtons submitted to the Department." This Mr. Pattie gave in his letter of 22nd May but it now appears that the Ministry of Defence has no intention of honouring Mr. Pattie's pledge and when we have raised the matter of the original ideas, we have felt that we were jeopardising our future relationship with other sections of the Ministry of Defence.

We sought to make it clear to everyone that we were not the instigators of the Panorama programme and that we were not in any way participating in its making. David Stride resigned in order to assist Panorama and both he and the producer assured me that they would make it clear in the programme that we had not participated in any way. I felt that this was adequate assurance and decided to remain silent.

In the weeks before the programme I received a telephone call from a senior member of the M.O.D. enquiring about the Panorama programme and at the B.A.E.E. at Aldershot we were visited by several people who indicated both to me and to other people that the Panorama programme would do our cause no good and the Chief of Defence Procurement made it plain that the issue was closed and that we should accept the fact that "some you win and some you lose" and that we had lost.



Richard Ottaway.  
7th November, 1986.

Page 2

As I have explained already to Sir Ian Gilmour, I was also approached at the exhibition by a retired Colonel, who urged me to write to the M.C.O., General Vincent, to disassociate myself and the company from Panorama. I decided against this as I had been assured by the Panorama producers that it would be made perfectly clear in the programme that neither I nor the company had had any part in the production of the programme. I was very surprised on the morning of 30th June when Major General Stopford called me to ask me to write to the M.O.D. immediately disowning the programme and requested me to copy the letter straight away by facsimile transmission. I felt that this was a request I could not refuse. Despite the alarm, my letter was written in terms designed to be neutral as to the underlying issues. I stated that we had taken no part in the forthcoming programme and that we had requested that this was made clear in the presentation. I also said that we accepted the M.O.D.'s prerogative in the choice of equipment, but I also pointed out that there was the ongoing matter of the interpretation of Mr. Geoffrey Pattie's letter of the 22nd May 1984.

Since much has been imputed to my views to justify the M.O.D.'s position I must put the record straight. I do believe that the original decision was wrong and that it may have been affected by an unhappy personal relationship between David Stride and a member of the Procurement Executive, which was well known and widely discussed in advance of the competition. Far from believing that there were no grounds for an enquiry, it was this that I was seeking when Mr. Pattie requested a meeting with me at Shrivenham. I believe that if Mr. Stride is able to obtain a judicial review as is his expressed intention, he will have no difficulty in proving his case on the available facts.

In conclusion, the company has not been pursuing the complaint as it has been made plain to us by the M.O.D. in their letters and responses to date that this would be utterly futile and would have no chance of success and it has also been made plain by a number of third parties and by the M.O.D.'s reaction to complaints that were made that to do so could damage any prospects the company might have for further M.O.D. contracts.

I have also said elsewhere that we do have a complaint about the Ministry's entire approach to the matter of Mr. Pattie's assurance and we are currently in discussions with our legal advisers.

You may be aware that the Boughton Group are at present tendering for a contract for the supply of 4x4 vehicles to the M.O.D. and I would not like to think that this letter would in any way jeopardise our chance of securing this tender.

Yours sincerely,

T. TRAFFORD BOUGHTON.

16

D/MIN/DGT/5/4  
TTB/MJW

The Lord Trefgarne  
Minister of State for Defence Procurement  
Ministry of Defence  
Main Building  
Whitehall  
London  
SW1 2HB.

12th November, 1986.

I duly received your letter of 10th November.

I would value the opportunity of a discussion and I would like to ask Sir Ian Gilmour if he would accompany me. Would this be in order?

Trafford is too polite  
for his own good!  
Trefgarne will attempt to claim  
that this shows there is  
nothing sinister.

T. TRAFFORD BOUGHTON.

17

URGENT



HOUSE OF COMMONS  
LONDON SW1A 0AA

12th November 1986

*Am George.*

DROPS

At the presentation on 22nd October you said you would need a fortnight to consider; it is now three weeks since we met and there has been no follow up to me.

There have, however, been two other developments. David Trefgarne has seen Richard Ottoway and in effect "warned him off" the case. I think David should be rather more careful about his conduct. My understanding is that for a member of the House of Lords to seek to stop a Member of Parliament performing his parliamentary duties is a breach of privilege. It is also, by any standards, reprehensible behaviour and will make very sorry reading when it comes out either by way of a privilege case or by other means.

The second development is a letter from David to Trafford Boughton. I don't know whether you authorised that letter or not. If you did not, no doubt you will be dealing with the matter. If you did, I must say that I find MOD's underhand behaviour very odd - except that it is very much all of a piece with what has happened since the beginning of the case. It is astonishing that such a letter should be written - without any notification to me - and, more importantly, without any replies to the questions that I sent you a month ago or my letter of 29th October. As you know, there have been attempts to intimidate Mr Boughton before, and I had trusted that things would be very different on your arrival at the ministry.

Two or three years ago I agreed to let the matter drop (no pun intended) because Mr Boughton expressed himself satisfied with his agreement with Geoffrey Pattie - which is evidently being broken.

But there is no question of my letting it drop a second time. And if MOD did succeed in intimidating Mr Boughton again, I should regard that as yet another confirmation of the need for an independent enquiry or a proper airing of the whole affair in the press and on television.

In view of what has happened and has not happened, I hope you will take immediate action.

Yours  
la

The Rt. Hon. George Younger M.P.,  
Secretary of State,  
Ministry of Defence.

From: RICHARD OTTAWAY, M.P.

18



HOUSE OF COMMONS

13th November 1986

LONDON SW1A 0AA

Office: 01 219 4017

Christopher Monkton Esq  
Deputy Editor  
Today  
70 Vauxhall Bridge Road  
LONDON SW1

Dear Christopher

DROPS

Following our telephone conversation today I am pleased to confirm in writing what we discussed.

I have been involved with this case for the last 18 months. I have no constituency interest but know David Stride from old and believe him to be a genuine person. He has shown me a number of documents which have lead me to believe an injustice has been carried out to Boughtons and that the selection process of this equipment for what will be a very large procurement contract with the Ministry of Defence was not carried out properly.

I first drew this matter to the attention of Michael Heseltine who told me he was advised that the contract went to the supplier of the best equipment which offered the best value for money and that Boughtons equipment was too expensive and not good enough.

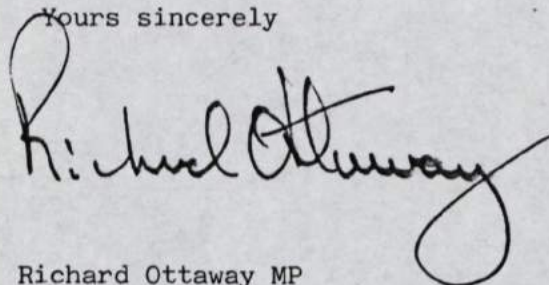
Matters rested there as I knew that Panorama were interested in the issue and as you know a programme was subsequently made. Following that programme I asked George Younger, by then Secretary of State for Defence for an independent investigation into the whole matter. He then asked the Ministry of Defence for a presentation on the whole issue and kindly asked me to attend and invited me to put questions to the officials after the presentation. The presentation took about 40 minutes of which about 5 minutes got to the crux of the argument and that was the technical merits and price evaluation of the system. Even then there was no analysis or comparison, we were simply told that Boughtons had come sixth out of six contenders. I then put a number of technical questions - the officials were at first reluctant to answer the questions, when they did, of the four technical comparisons I put, Boughtons equipment was as good as the winning contractor on three fronts and better on the fourth.

After the presentation I briefly discussed this with David Trefgarne the Minister of State for Procurement at the Ministry of Defence, and subsequently arranged a meeting with him.

At the meeting he took the view that Ministry of Defence was accused of either being incompetent or crooked and until we could produce allegations on either score he would advise the Secretary of State not to re-open the matter. He also said that the independent inquiry carried out inside the Ministry of Defence had found no evidence of either. I expressed a view that from what I had seen of the technical evidence that whilst I made no allegation of incompetence or crookedness the figures simply did not add up. On the one issue of production estimates where Boughtons apparently come out badly I put forward the point that in their opinion the feasibility study had not asked for a proper tender on production estimates.

Slightly to my surprise David Trefgarne then pointed out that as a PPS in the Foreign Office I was a member of the Government and should accept an assurance from a Minister that he was satisfied that the selection process had been carried out properly. Strictly speaking he is quite right and I am now obliged to abide by this convention. I was, however, very surprised that he should lean on me in this way. If there was nothing to hide I would have thought that one very dispensable politician could be allowed to make a fool of himself rather than attempt to muffle him in this way.

Yours sincerely

A handwritten signature in black ink that reads "Richard Ottaway". The signature is written in a cursive, flowing style with a large loop at the end of the name.

Richard Ottaway MP



19

MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

TELEPHONE 01-218 9000  
DIRECT DIALLING 01-218 6169

MO 26/4L

17th November 1986

Dear Ian,

Thank you for your letter of 29th October and also for your letter of 23rd October to David Trefgarne.

I am glad that you found it useful to attend the briefing presentation on DROPS which I was given on 27th October. As was said at the beginning of the presentation (and, indeed, in my letter of 7th August), its purpose was to provide in-house advice to me. I hope you will understand that because of this - and because of the confidential and commercial-in-confidence information which the presentation contained - I am afraid that I cannot pass onto you a copy of the text.

As we agreed, I am reflecting on the way forward. I shall be in touch with you as soon as possible.

Yours we,  
George.

George Younger

The Rt Hon Sir Ian Gilmour Bt MP



20

HOUSE OF COMMONS  
LONDON SW1A 0AA

18th November 1986

*Dear George.*

DROPS

Thank you for your letter of yesterday telling me that you are reflecting on the way forward. I am sorry that you have now decided not to give me the text of the presentation. You will remember that at the presentation you agreed to do so, and moreover you said it out loud - so that anybody who had wanted to raise the point about commercial-in-confidence information could then have done so. In your letter you do not answer any of the questions that I put to you in my letter of 13th October. Nearly all those questions were straightforward and could have been answered in a short time, yet now a month has passed. Altogether the inference is difficult to resist.

I understand that you did not get my letter of 12th November, though it only had to go from my office here to yours by the internal post. It was clearly marked "urgent", and the urgency - particularly of the breach of privilege - has grown. Notwithstanding your reflections, therefore, I hope you will be able to let me have a more or less immediate reply.

*Yours  
I*

The Rt. Hon. George Younger, M.P.,  
Secretary of State,  
Ministry of Defence.





21

MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

TELEPHONE 01-218 9000  
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MO 26/4E

November 1986

Dear Ian,

Thank you for your letters of 12th and 18th November.

I do of course entirely understand your concern about the DROPS case. For this reason I have been taking a very close interest and the steps that David Trefgarne has taken have been with my full agreement. Let me assure you that it was in no way David's intention, or mine, to "warn off" Richard Ottaway - indeed David came away from the meeting with the clear expectation that Richard was going to raise the matter in the House before long.

Let me assure you too that it is absolutely not the intention of our invitation to Trafford Boughton to discuss the matter that we should use this meeting to intimidate him. He is a much valued Defence contractor and it is surely right that we should talk to him about the situation as he sees it. It would, I believe, be quite remarkable if we did not have direct contact with Mr Boughton in the present circumstances. I understand that arrangements have

The Rt Hon Sir Ian Gilmour Bt MP



been made for you to be present at the meeting. I am very glad about that and I hope that you will find it useful and constructive.

As you recognise, this matter has now been dragging on for a number of years, and has been considered by successive Ministers - as well as a large number of military and civilian officials. It was because the matter has been examined so exhaustively that we thought it might be helpful for you to come to the presentation last month. I am very sorry that you did not find the occasion reassuring but I simply cannot accept that there was in any sense - as you have indicated - some conspiracy to exclude Boughton from the DROPS competition. What would the aim of this have been?

Having now considered this matter most carefully, I can find no evidence that suggests that Boughtons were dealt with in any way unfairly. You may be aware that last year we asked for a review of the DROPS procurement to be made by an appropriate official from outside the Procurement Executive. He concluded:

- a. That he could find no evidence of any impropriety on the part of the staff concerned.
- b. That Boughton was rightly eliminated in the selection of the two main DROPS contenders.



c. That on the evidence available, there had been no specific infringement of design rights.

I have reached the same conclusions.

As all Ministers here have consistently made clear, we have been fully prepared to consider all the allegations that you wish to make. This we have done, and I should have hoped that in the end you would accept the veracity of the answers that we give you.

Yours very,

George.

George Younger



22

HOUSE OF COMMONS  
LONDON SW1A 0AA

Your ref: MO 26/4E

20th November 1986

*Mr Jones,*

Thank you for your letter.

I have been surprised by the way you have sought to deal with this matter, and you still have not answered any of my questions. I trust you will soon do so.

What you say about David Trefgarne's meeting with Richard Ottoway is flatly untrue.

Of course it is right that the MOD should talk to Trafford Boughton. What is not right is that it should have sought to do so behind my back and without answering any of the points that had been put.

You can hardly be surprised that Tony Buck, Richard Ottoway and myself were not reassured by the presentation. You showed every sign of not being reassured yourself. And your refusal to let me see the transcript, despite what you had earlier said, does not suggest you have great confidence in its contents. To take one small example of its unreliability: we were told that the U.S. army had sent back the Boughton equipments and this demonstrated their inferiority. The U.S. army have in fact retained all 21 Boughton equipments and paid for them in full.

The argument about commercial-in-coincidence is profoundly unconvincing, since I have already seen the proposals of other selected competitors.

The inquiry by an unnamed official of the Ministry of Defence, hearing only one side of the story has no evidential value whatever. Incidentally, I take it that you are referring to the "enquiry" conducted by Mr Julian Walker, himself a former member of MVEE. In any case General Mans, as you know, came to the opposite conclusion.

The dissembling and duplicity, to put it no higher or lower for the time being, that I have consistently encountered in this case unfortunately inhibit me from accepting "the veracity" of what I have been told. But "conspiracy" is your word not mine. "Scandal" on the other hand is a word I have used and unfortunately you have not yet given me any reason to cease doing so. It is just as clear to me now as it was before that there are only two proper courses of action: an independent enquiry or a new competition.

your ✓  
/a

The Rt. Hon. George Younger M.P.,  
Secretary of State,  
Ministry of Defence.



EST 1897

The  
Boughton  
Group

23

# HEARNCREST BOUGHTON

## ENGINEERING LIMITED

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YOUR REF

OUR REF TTB/MJW

The Lord Trefgarne,  
Minister of State for Defence Procurement  
Ministry of Defence  
Main Building  
Whitehall  
London  
SW1 2HB.

21st November, 1986.

*Dear Lord Trefgarne.*

I refer to our meeting yesterday morning attended by Sir Ian Gilmour and General Vincent, at which I was glad to have the opportunity to discuss the apparent misunderstandings about my views on the DROPS issue.

As I explained, I had agreed with Mr. Pattie to substitute a complaint about the competition for an assurance which I believed could only result in the purchase and use of our equipment. The equipment we have seen is such that I am still firmly of the opinion that this should be the result.

It was extremely valuable to have your confirmation that the word "unauthorised" in Mr. Pattie's assurance does in fact mean "unauthorised by Boughtons in writing" as we had always understood it to mean. The logical consequence of this is unavoidable. There must now be a complete halt to the DROPS competition and the question of the "original ideas" must be submitted to independent adjudication, preferably by agreement rather than by litigation, which had seemed inevitable until our meeting.

As you may not have been aware, Mr. Pattie's undertaking was that M.O.D. would not "USE" any such original ideas. It is clear that "using and then compensating us afterwards" is not the same as "not using".

I am also particularly concerned that all action taken by M.O.D. to undermine our intellectual property rights in its own defence, also undermines those same rights in the U.S.A. to the direct benefit of our foreign competitors. I hope that you are in no doubt of the implications for U.K. trade and employment of the M.O.D.'s attempts to discover or create loopholes.

In my view the result of an independent enquiry into the original ideas

A Member of the Boughton Group of Companies

Directors: T. Trafford Boughton Thomas T. Boughton J. H. Boughton, O.B.E. J. d'Assignies (France)  
K. J. Purkiss D. M. Sullivan, F.C.A.REGISTERED IN ENGLAND NO. 1175199  
M.O.D. APPROVED AOAPI  
REGISTRATION NO. 1E2B01

nawdc



The Lord Trefgarne.  
21st November, 1986.

Page 2.

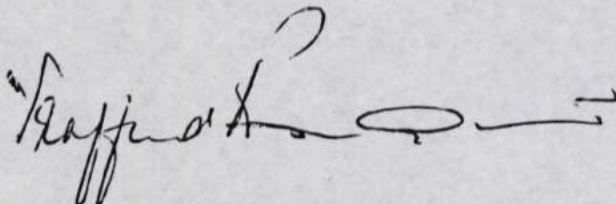
issue would leave M.O.D. only two options, either of which would be acceptable to us - firstly, the award of the contract to Boughtons on the grounds that there was no alternative, or, secondly, to order a new competition, from which equipment incorporating such "original ideas" would be excluded.

If on the other hand M.O.D. is unwilling to stick by the undertaking made by the then Minister and proceed as outlined above, then I believe the M.O.D. is in honour bound to stop the procurement and order an independent enquiry into the original selection and all the subsidiary issues so far raised. This was after all the alternative for which Mr. Pattie's assurance was substituted in 1984.

I hope you agree therefore that there is no alternative to the involvement of fresh, impartial and independent judges at this stage and while I agree to further direct discussion between our respective patent specialists, this should in no way distract us from the main issues.

I very much welcome your statement that if there had been an injustice you would be very keen to rectify it.

Yours sincerely,



T. TRAFFORD BOUGHTON.