



PM.

RM

10 DOWNING STREET

THE PRIME MINISTER

4 February 1983

Dear Mr. Marshall

When we met on 20 January, I promised to look further into the closure of the Thornhill's chicken processing factory at Stainforth.

I understand that, over the last two to three years, the two Thornhill's factories at Stainforth and Great Longstone have both been operating at around two-thirds capacity. The position was reached where, in a depressed market, it was no longer financially possible for the company to keep both plants working at this level and the company was forced to consider which of the two it should close. The decision to concentrate their business at Great Longstone was taken in the light of the facilities there. Unlike Stainforth, it has a by-products processing plant and is equipped to produce 'New York Dressed' birds; it is also the site of the company's headquarters staff, computer and vehicle maintenance depot. While the transfer of business to Great Longstone will require further investment at that site, a much larger sum would have been involved if the company were to have concentrated their activities at Stainforth. You suggested that Stainforth concentrated on portion production but I believe that this was only some 12% or so of output.

The Stainforth factory is being 'mothballed'. It has not been put up for sale and the company has not yet decided whether to dispose of it. Nor have they ruled out re-opening it at a future date if the market situation improves.

/The

da

The decision to close Stainforth was, therefore, taken on commercial grounds. While I sympathise with your concern for your constituents, there are no grounds on which I can seek to intervene in decisions of that sort. But, as I said when we met, I hope that your constituents will look seriously at the company's offer of employment at Great Longstone.

Yours sincerely
Raymond Stobart

Dr. Edmund Marshall, M.P.,

Prime Minister



Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the
Parliamentary
Secretary's Office

cc: 16/212

W Rickett Esq
Private Secretary
Prime Minister's Office
10 Downing Street
London SW1

2 February 1983

Dear Willie *PL type*
WM 2/2

THORNHILL CHICKEN - PRIME MINISTER'S MEETING WITH
DR EDMUND MARSHALL MP - 20 JANUARY 1983

Thank you for your letter of 20 January. As requested I attach
a draft letter to Dr Marshall for the Prime Minister's signature.

Yours sincerely

Nicholas J. Way

N J WAY
Private Secretary



DRAFT REPLY FOR SIGNATURE BY THE PRIME MINISTER

Dr Edmund Marshall MP
House of Commons
LONDON SW1

When we met on 20 January, I promised to look further into the closure of the Thornhill's chicken processing factory at Stainforth.

I understand that, over the last two to three years, the two Thornhill's factories ^{at} (Stainforth and Great Longstone) have both been operating at around two-thirds capacity. The position was reached where, in a depressed market, it was no longer financially possible for the company to keep both plants working at this level and the company was forced to consider which of the two it should close. The decision to concentrate their business at Great Longstone was taken in the light of the facilities there. Unlike Stainforth, it has a by-products processing plant and is equipped to produce 'New York Dressed' birds; it is also the site of the company's headquarters staff, computer and vehicle maintenance depot. While the transfer of business to Great Longstone will require further investment at that site, a much larger sum would have been involved if the company were to have concentrated their activities at Stainforth. You suggested that Stainforth concentrated on portion production but I believe that this was only some 12% or so of output.



The Stainforth factory is being 'mothballed'. It has not been put up for sale and the company has not yet decided whether to dispose of it. Nor have they ruled out re-opening it at a future date if the market situation improves.

The decision to close Stainforth was, therefore, taken on commercial grounds. While I sympathise with your concern for your constituents, there are no grounds on which I can seek to intervene in decisions of that sort. But, as I said when we met, I hope that your constituents will look seriously at the company's offer of employment at Great Longstone.



2 FEB 1983

11 12 1
20 2
21 3
22 4
23 5