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CONFIDENTIAL

✓ DP

Dictated to FERB
in Goa 26.11.85.

PRIME MINISTER

ICL

I minuted you last night about developments reported to me then by Sir Christophor Laidlaw of ICL. Today I have seen Wilmot, Gardiner, Horton (one of the ICL non-Executive Directors) and have spoken to John Hoskyns. I have also seen Laidlaw again. I believe I now have an understanding of the true position of the main players in this game, except that of Sir Michael Edwardes, to whom I have spoken only briefly and necessarily guardedly over the telephone. I have arranged to see Edwardes immediately on his return from South Africa on Monday.

2 Subject to what Edwardes tells me on Monday, and to further consultation which Laidlaw is to have with his colleagues on the ICL Board over the weekend, it appears that no satisfactory conditions exist for the appointment of any credible alternative to Edwardes, but there is now a good chance of agreement on terms under which Edwardes would serve as Chairman.

3 This leaves unresolved the outstanding purchasing decision of BT, but what has now, I hope, been achieved is to decouple this from the immediate crisis.



4 I am copying this to Nigel Lawson and to Sir Robert
Armstrong.

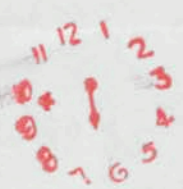
McCarthy
(seen and approved
by the Secretary of State
and signed in his absence)

N T

25 November 1983

Department of Trade and Industry

25 NOV 1985



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