

B.R.

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PRIME MINISTER

cc Mr Ingham

Robert Maxwell's Acquisition Plans

Robert Maxwell telephoned to tell you where he stood on his bids for the Mirror Group and the Express Group.

On the Express Group, Lord Matthews was willing to sell, but it was not possible to establish a price before the results were produced in August/September. Meanwhile, he had had to move on the Mirror Group since they are about to launch their public issue and, if he had not made a bid, he would have been in the same position as RTZ in relation to Enterprise Oil! The Reed Group had made unwelcoming noises about his bid, but the prospects for their public issue were not good and they would have to choose whether to accept Mr. Maxwell's bid or to risk an unsuccessful public issue. Mr. Maxwell had said, if he acquired the Mirror he would continue its pro-Labour stance but he would support you in the actions you were taking in the national interest. He expected the printing unions to oppose his bid for the Mirror strongly.


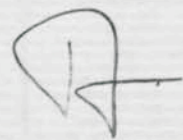
F.R.B.

4 July 1984

E.R.
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PRIME MINISTER

MIRROR NEWSPAPERS

Kenneth Baker answered a PNQ from Peter Shore today on the Mirror Newspaper takeover. A copy of his answer is attached. It was evident from the exchanges that there is very little heat in this issue. Labour are genuinely worried because they think that Robert Maxwell will change the editorial line of the Mirror and it was once again evident that there is very little affection for him on Labour Benches. In particular, they do not believe the guarantees he has given about the Mirror's editorial line. Mr. Baker accepted that there would always be concern about the concentration of too few hands of proprietorial power in Fleet Street, but said that at this stage that issue was not raised by the Mirror takeover. He said that the real sickness in Fleet Street lay in restrictive practices and union militancy which was killing the newspaper industry.

13 July 1984

PNQ

PETER SHORE (LABOUR, BETHNAL GREEN AND STEPNEY)

To ask the Secretary of State for Trade and Industry if he will make a statement on Government policy towards the takeover of the Mirror Group of Newspapers by R Maxwell's BPCG.

MR BAKER

It is reported today that Reed International plc have agreed in principle to sell Mirror Group Newspapers Ltd to Pergamon Press Ltd. On the basis of the information available to me, this sale does not involve a transfer of a newspaper to a newspaper proprietor. It would accordingly not require the consent of the Secretary of State under Section 58 of the Fair Trading Act 1973. It will however fall for consideration under the general merger provisions of the Act.