SUBJECT

cc Master

FILE
CC: D/Trade.
Hamish Gray's Office
D/Energy

SW.

10 DOWNING STREET

From the Private Secretary

14 December, 1982

Thank you for your letter of 13 December, and for the briefing for the Prime Minister's meeting with Mr. Tom Clarke, M.P. to discuss the closure of the Speedwell Wire Company Limited, Coatbridge, a subsidary of Martin-Black PLC. The meeting took place this afternoon at 1555. Mr. Alex Fletcher was present.

Mr. Clarke opened by saying that he had always found the Scottish Office and its Ministers, including Mr. Fletcher, extremely helpful. He knew that Scottish Office Ministers, and the Prime Minister herself, understood the problems of unemployment in his constituency. He realised that little could probably be done to halt the closure of the Speedwell Wire Company, but there were two points that he would like the Prime Minister to pursue. These were set out in the attached file of papers, which he handed to the Prime Minister. First, he hoped Mr. Fletcher, and the Minister of State at the Department of Energy, could help Martin-Black to secure the contract for the supply of "large diameter Cable Laid Slings" for the British Gas Rough Storage Project. Second, he hoped that Mr. Fletcher could pursue with Ministers in the Department of Trade accusations made by Martin-Black PLC that European manufacturers were dumping steel wire to the detriment of British industry. These accusations were set out in a letter that he had received on 10 December from Mr. James Slater, a Director of Martin-Black (copy attached).

The Prime Minister said that both these points would be followed up. I should therefore be grateful if you could pursue them with John Rhodes (Department of Trade) and Stephen Haddrill (Department of Energy), to whom I am copying this letter, and let me have a draft letter for the Prime Minister to send to Mr. Clarke, reporting the outcome. It would be helpful if this could reach me before the Christmas Recess, though I realise that this may not be possible.

BF

W. F. S. RICKETT

A. Muir Russell, Esq.,
Scottish Office

TOM CLARKE CBE JP MP

HOUSE OF COMMONS
LONDON SWIA OAA

UNEMPLOYMENT STATISTICS - AIRDRIE & COATBRIDGE.

Nov	1979	1980	1981	1982
	5232	8059	9605	9565 *
Inc Youths	549	946	1027	1055 *

* Based on new system of calculating.

REDUNDANCIES (i.e. major redundancy affecting 10 or more people)

1980	1981	1982
1396	1302	885

(Does not include Bedley Colliery where 500 jobs were transferred)

PERIODS OF UNEMPLOYMENT

Numbers unemployed between six months and 1 year....... 1772

Numbers unemployed over one year or more............... 3798

Youth 1055 plus 1015 engaged on YOP Programme

Short time working compensation scheme. In the past three years 27 employers have made use of this facility.

BREAKDOWN OF SKILLED UNEMPLOYED.

Clerical	483
Chefs	47
Joiners	102
Engineers	219
Motor Mechanics	87
Electricians	129
Plumbers	90
Sheet Metal Workers	19
Welders	101
Painters	190
Bricklayers	89

NOTIFIED VACANCIES.

1980-81	Airdrie	1087
	Coatbridge	1754
1981-82	Airdrie	1111
	Coatbridge	1356
1982-83*	Airdrie	1114
	Coatbridge	1336

* Projected figure.

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0035 82-12-09 17:04

MR T. CLARK MP (FOR AIRDRIE AND COATBRIDGE)

RE: BRITISH GAS ROUGH STORAGE PROJECT

OUR MARKET INTELLIGENCE ADVISES US THAT THE LARGE DIAMETER CABLE LAID SLINGS FOR THE ABOVE PROJECT ARE ABOUT TO BE PLACED IN THE NEXT 3 WEEKS

OUR QUOTE UTILISING OUR MAKLOK SYSTEM IS REPORTED TO BE THE CHEAPEST BESIDES HAVING MANY ADDITIONAL ADVANTAGES OVER TRADITIONAL HAND SPLCIED SLINGS, E.G. - SLINGS ARE MORE EFFICIENT, LIGHTER, AND CAPABLEOF BEING MORE ACCURATELY MATCHED.

DESPITE THIS BECAUSE OF RELUCTANCE OF PROJECT MANAGEMENT TO USE MAKLOK THE ORDER FOR SLINGS COULD BE PLACED WITH CONTINENTAL MANUFACTURERS THROUGH THEIR U.K. SHELL COMPANIES.

VALUE OF SLNGS USING MAKLOK IS £90,000. OUR COSTINGS OF HAND SPLICED SLINGS INDICATE THESE WOULD COST £120,000 APPROX.

BRITISH GAS COULD THEREFORE BE PAYING 20% - 30% MORE THAN THEY NEED UNLESS CONTINENTAL ARE SERIOUSLY DUMPING.
ACTION IS NEEDED TO CORRECT THJIS SITUATION NOW.,

WE HAVE MEETING WITH OFFSHORE SUPPLY OFFICE TOMORROW TO DISCUSS BUT DO NOT FEEL THAT THEY HAVE ENOUGHH DESIRE TO CORRECT THIS SITUATION.

JAMES SLATE
DIRECTOR
MARTIN BLACK

THIS TELEX HAS BEEN SENT TO -

CHAIRMAN BRITISH GAS COUNCIL
RT. HON., HAMISH GRAY MP
T. CLARK MP
W.E. ALLISON, OFFSHORE SUPPLIES OFFICE
P.T. CONNOR, PROJECT MANAGER, ROUGH STORAGE PROJECT, C.J.B.

MARTIN - BLACK PLC

Regn. No. 7412 (Scotland)

Speedwell Works
Coatbridge ML5 4RS
Tel: Coatbridge (0236) 22566
Telex: 77376

Our Ref. JS/JD

10th December, 1982.

Mr. T. Clarke, M.P.,
Lugar Street,
COATBRIDGE.

Dear Tom,

Many thanks for your prompt response to my telex on the British Gas Council Rough Storage Project.

I had a very full discussion with Mr. W. E. Allison and Mr. H. M. Whiteside of the Offshore Supplies Office.

It would appear that as there are no British barges in the heavy lifting field of the offshore industry, that we are in the hands of the Continentals. The Continental barge owners, understandably, have their attachments to their local suppliers of large diameter Cable Laid Slings. The Offshore Office can endeavour to influence these barge owners to use British products, but are not in a position to legally require them to do so.

I explained fully how we had developed the MAKLOK system and, using miniature samples, showed how we made a Cable Laid Sling. They questioned why, if we had demonstrated the effectiveness of our slings, backed up with Lloyds Register of Shipping certification, the project contractors and barge owners were still unwilling to accept our system. Were there any technical problems which were causing doubt in their minds? they asked.

I assured them that we had invited over 100 people to our original demonstration at Lloyds, Dudley, that we had tested 5 ropes to the maximum capacity possible in the United Kingdom at Lloyds, Dudley (5.1/4 inches tested to 725 tonnes), that we had written to Heerema offering them trial ropes and answering all their questions (but with not even the courtesy of an acknowledgment) and that we had written to CJB inviting them to a fresh set of tests (again with not even the courtesy of a reply).

I gave them the enclosed list of orders received to date, and a copy of our most recent order from Brown & Root, all of which proves that outside of the North Sea, the MAKLOK system is an accepted system.

I/...

I pointed out that Bechtel were prepared to accept MAKLOK for the Beryl B Project, and that Heerema refused to use the MAKLOK system on their barge.

I confirmed that it was my understanding that in the Rough Storage Project that our price was the cheapest.

I expressed my personal view that -

1) In the case of Heerema they were not keen to use Maklok as it would adversely affect their relationship with their current supplier of large diameter Cable Laid Slings.

2) Bechtel had to go to Elkem (I suspect) of Norway for the slings for the Beryl B Project - although I questioned what experience Elkem had - certainly in the British Sector of the North Sea.

3) There was no reason for CJB or McDermott to turn down MAKLOK for the Rough Storage Project if we were the cheapest, and it could only be reluctance to accept innovation on their part. (As our system is based on well-proven sling making techniques it is not truly innovation).

Mr. Allison agreed to speak with McDermott and advise me early next week of their findings.

I suggested that Mr. Allison should question the placing of the slings for the Beryl B Project and the experience of the manufacturer. I also asked Mr. Allison to look more closely at Heerema's operations with a view to establishing what their traditional Cable Laid Sling buying pattern was.

In response to Mr. Allison's general enquiry as to whether we had any other problems // I emphasised that Aberdeen was a dumping ground for Continental rope to the detriment of British Industry. European manufacturers are forming shell UK marketing companies to allow them to get around the 'British Content' requirements. I highlighted the problem with 3 tonne casing slings which in 1981 were selling for £5.00-£5.50 each and are now selling for £3.00-£3.50. All of the rope being imported, as U.K. manufacturers cannot possibly meet these prices.

Finally, I emphasised that after having to close Speedwell Wire Co. Ltd., our company was going to fight like fury to get our MAKLOK system into use in the North Sea. If our price, for Cable Laid Slings for the Rough Storage Project is the cheapest, then that order <u>must</u> be placed with Martin Black.

I/...

I look to the Offshore Supply Office, British Gas and yourself to ensure this happens.

Again I would like to express our appreciation of your assistance in this matter, and hope that your meetings with Mr. Gray and Mrs. Thatcher are successful.

Kind regards,

Yours sincerely,

James Slater,
Director.

c.c. W. E. Allison, Offshore Supplies Office.
Rt. Hon. H. Gray, M.P.
R. B. Gibbon, Head of Construction Projects, British Gas.

MARTIN - BLACK PLC

Regn. No. 7412 (Scotland)

Speedwell Works
Coatbridge ML5 4RS
Tel: Coatbridge (0236) 22566
Telex: 77376

Our Ref. JS/JD

6th December, 1982.

T. Clark, Esq., M.P.,
House of Commons,
LONDON.

Dear Tom,

Your attendance at our plant on Friday was much appreciated by our workforce and our management.

These are very difficult times for all of us in Scotland, but particularly for those connected with the steel industry. As we indicated to you, the steel industry throughout Europe has its problems, and as requested I enclose a few relevant clippings from recent Financial Times on the subject.

However, we do feel, like so many others, that the U.K. steel industry appears to be taking more than its fair share of the capacity cuts. European steelmakers are still able to maintain their workforces while using Britain as a dumping ground for its products. Steel wire rope from most European countries is available throughout the UK at prices which are below those of the British manufacturers. One finds it extremely difficult to accept that the Europeans are doing anything other than keeping their steel mills operating while we close ours.

Individual companies who buy European steel products cannot be faulted when they themselves are under constant pressure to reduce costs. What is required to correct this situation is import controls on all steel products for a limited period in order to take the pressure off U.K. manufacturers and put it on to the Europeans so that they can accept their fair share of capacity reductions.

I attach copies of correspondence which I have had over the past six months with various authorities which might be of interest to you. I should mention that we have not had any true satisfaction as yet from this correspondence, and we presently await the outcome of our meeting with The Offshore Supplies Office next week.

However, as Jim Graham stated during your visit, 'if there was no oil there would not be 3 million unemployed'. The proceeds of our oilfields are being spent by our present Government to keep our workforce 'on the streets' instead of 'in jobs'. When is this going to stop?

We/...

We asked you what the position was with regard to the Monklands Project. It was our understanding (and you confirmed this) that the SDA, Strathclyde Region and the Local Authorities have £15 million or thereabouts to spend in our area.

Despite having put up some proposals with a view to improving access to our works at the beginning of this year, we have yet to see any sign of activity on this front.

If this money is not put to work to assist industry to retain jobs in this area soon we could well find existing industry disappearing and the money being spent instead on flattening industrial buildings to be replaced with parks and park benches for the unemployed to sit on. Action is needed on this front now.

As we indicated to you - as a result of our 'phoning the SDA, two of their staff will be visiting us on December 14th to explore how they might constructively help us. Your offer of assistance in arranging a meeting with Dr. G. R. Mathewson, Chief Executive of the SDA is much appreciated, and we look forward to hearing from you in due course on this matter.

Yours sincerely,

James Slater,
Director.

James Buchan in Bonn examines the parlous state of, and grim prospects for six major producers

Steel industry pushed to brink of catastrophe

THE RECENT decision by the shareholders of Hoesch, the West German steelmaker, to end its painful 10-year alliance with Hoogovens of the Netherlands was greeted by one excited shareholder as an "early Christmas" for the company and the city of Dortmund. But shareholder Herr Kurt Fiebich's outburst in Dortmund has been the only sign of Christmas spirit in West German steel.

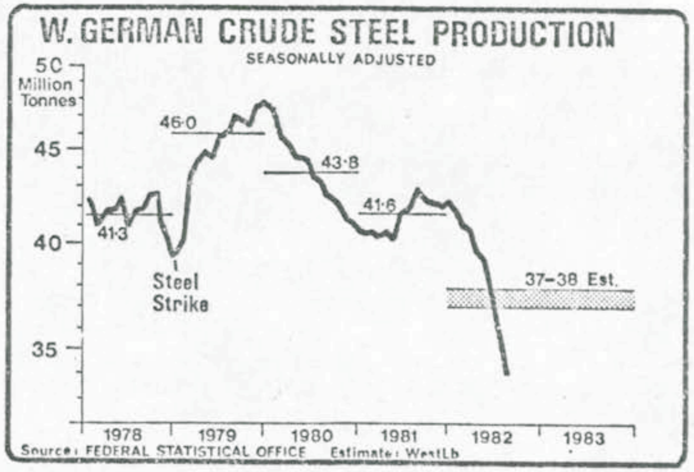
The six major steelmakers of the Ruhr, the Saarland and Salzgitter, who have learned to live with a state of crisis over the past seven years as well as any in Europe, are now talking of a catastrophe. Production has plummeted since the beginning of the year and up to half of the 200,000 and over steelworkers in West Germany will be on short time by the New Year.

The feeble little rally in profitability in the first quarter, brought on by EEC price rises of a total of DM 240 (£59) per tonne, has given way to a relapse. The West German steel industry, according to a study by Westdeutsche Landesbank, is suffering heavy losses. Experts estimate that the companies are each losing an average of DM 100m a month.

The renewed collapse in steel demand has brought one producer, the Saarland subsidiary of Arbed, the Luxembourg concern, to the point of insolvency and endangered plans to secure a future for Hoesch (and Dortmund) through a merger with Krupp Stahl, to be known as Ruhrstahl. It has also brought a chorus of bitter complaints against what the West German producers consider the unfair working of the EEC's steel crisis régime.

Two weeks ago, Dr Diether Spethmann, chief executive of Thyssen and chairman of the producers' federation, write to Count Otto Lambsdorff, the Economics Minister, that the European Commission was driving West German steel deeper into crisis. He accused Brussels of permitting a disproportionate share of non-EEC steel products to flow into West Germany — accounting for some 20 per cent of the domestic market, according to one estimate — and called for a border tariff against these products should Brussels not come up with an overall agreement.

The producers' federation has consistently argued that Brussels was doing nothing to stop other European governments from using subsidies, originally designed for restructuring purposes under the EEC crisis regime, to prop up outmoded plants or excessive capacity. These subsidies, estimated by the West Germans at DM 80bn since 1975, have allowed other European producers to undercut the West German industry by up to DM 200 per tonne, according to Dr Spethmann.



Thus, when the U.S. sought a sharp limit on imports of European steel on the grounds of subsidy, the Bonn Government and the West German producers fought with unusual savagery to secure the best possible deal for the "innocent" West German industry in the deal finally reached last month.

Bonn has paid out subsidies, however, despite the hostility of Count Lambsdorff to state aid. Under a 1978 plan, the Saarland companies were restructured under the wing of Arbed and have so far received over DM 2bn in grants and guarantees. Count Lambsdorff complained bitterly last month that this sum was lost and, despite a further DM 150m in federal and regional aid on November 10, Saarland officials now say that Arbed Saarstahl (as the industry is now known) needs yet more immediate aid if it is to survive the year.

Bonn is making further short-term assistance and its share of a further DM 500m in aid up to 1985 is contingent on sacrifices by the 20,000-strong workforce, Arbed itself and the banks holding up to some DM 3bn in the company's debt —although there is little sign that these will be forthcoming.

"The Federal Government cannot let the light go out in the Saar," an independent steel expert said, especially as Arbed Saarstahl is the region's second largest employer. The unemployment rate in the Saarland is approaching 12 per cent.

With the entire West German steel industry clamouring for aid for investments of DM 14bn up to 1985, however, the Federal Government is looking for a hard bargain in the Saarland. Equally, there is a strong feeling that the original concept is too optimistic, that 3,500 job cuts will not be enough and that the DM 600m modern steel works built with official aid can never be fully operational in the face of a shrinking market.

The future of Ruhrstahl is also uncertain. The basis of the concept is that Hoesch is strong in steel finishing [illegible] that Dortmund is ill placed as a centre for crude steel production. It would seem logical for Krupp Stahl to supply the crude steel blocks for finishing, as Hoogovens had earlier.

The problems of bringing together two concerns with a combined work force of 80,000 and nearly 10m tonnes of crude steel capacity have proved daunting.

Meawhile, all the producers have been driven by the crisis to consider forms of cooperation, many of them old ideas from the 1960s, and not necessarily favourable to Ruhrstahl. The announcement by Thyssen and Krupp Stahl that they were considering merging their special steels operations had "badly disturbed" progress towards Ruhrstahl, said Dr Detlev Rohwedder, the Hoesch chief executive.

Many in the industry believe that of the combinationsh being talked about, Ruhrstahl is the least likely to come to fruition in its present form.

What is certain is that the West German industry, which has a theoretical capacity of over 50m tonnes of crude steel, will not be able to dispose of even 40m tonnes for the indefinite future and that thousands of jobs still have to go.

Thursday November 18 1982 Jim,

Steel: facts need facing

Not even the "pros" can figure out where we are trying to go. Confusion Reigns. J.J.

THE CLOSURE of the Round Oak steel works in the West Midlands is more than a local disaster. It is a sharp reminder of the crisis that has overtaken the world's steel industry in recent years. It is also a warning of what may be in store unless the industry adapts to profound changes in the pattern of its markets.

Round Oak appears to have been the victim of certain special factors, aggravated by the recession. Its management claims that it could have kept out of the red operating at no more than half capacity. If that could be said of the rest of the industry in Britain and elsewhere, it would be well on the way to economic viability.

Recession

In Britain the steel crisis has been especially acute; the depth of the recession and the strength of sterling have had a crippling effect on the steel-using industries. The difficulty for the Government, British Steel Corporation and the privately-owned steelmakers is to judge how permanent the contraction of their customers in motor vehicles and engineering will be. Further rationalisation in both public and private sectors is unavoidable, but the cutbacks must not be taken so far as to prejudice the ability of the steel industry to respond to an upturn in demand when it finally arrives. Very similar considerations apply in the rest of the European Community; short-term assistance has to be geared towards a realistic view of the long-term demand for Community steel.

Such is the thinking behind the Davignon plan to nurse the Community's steel industry back to health. Its main ingredients are fixed minimum prices, output quotas for individual producers, and restraints upon imports from countries outside the Community. In addition the ten member governments have undertaken to phase out steel subsidies by 1985.

In its initial phase the plan, named after Viscount Etienne Davignon, the Commissioner responsible for industry, showed some signs of succeeding. Events are now threatening to blow it off course. Prospects of a firm industrial recovery in the Community or the world at large look dim. Competition in export markets is either becoming fiercer or has been distorted by arrangements such as the deal limiting the Community to 5 per cent of the U.S. steel market.

Within the Community complaints are increasing that the cartelised prices are being circumvented by a variety of devious measures. Everybody is jockeying for the largest possible production quotas. The prospect that governments will really adhere to the agreement to abolish subsidies within three years are looking dimmer week by week.

In Germany, where steel imported from other Community countries and from the outside world has taken 40 per cent of the market, representatives of the steel industry are openly calling for restraints on imports. Similar pressures elsewhere are going to be inevitable. Giving in to them would strike at the roots of the Community.

To avoid a *debacle* the controls over pricing and production levels envisaged in the Davignon plan have to be made as water tight as can be; cheating has to be eliminated. They must also be handled with the utmost flexibility to take account of market conditions, such as the collapse of demand in the second half of this year.

Beyond that, the long term prospects of the industry have to be assessed with the utmost realism. That is, in the first place, the duty of managements. But public involvement in steel is so deep in most countries that the future structure of the industry is bound to be influenced by political decisions.

Capacities

At a meeting of the industry ministers of the Ten in Elsinore today, Viscount Davignon will be pleading for more courageous closure programmes than hitherto submitted. He assumes that on present plans capacities of 200m tonnes a year will be available in 1985 to meet demand for no more than 142m tonnes. That will require a measure of equality of sacrifice; the Germans, for instance, though their efficiency is not disputed, will have to think hard before rescuing one of their smaller producers now in danger of insolvency.

Closures alone will not serve unless they are also calculated to cut costs, for instance by concentrating production in units of maximum flexibility. Moreover, panic is a poor counsellor. The present conjunctural trough will not last for ever. Nor will some special factors, such as the high sterling exchange rate which has hobbled the British industry for many months. The objective must be an industry which can stand on its own feet without subsidy and can take advantage of the upswing once it comes.

Financial Times Tuesday November 23 1982

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Steel users favour big cuts in capacity

BY IAN RODGER

STEEL consumers have declared themselves firmly in favour of further substantial cuts in the country's steel-making capacity.

"Refusal to face up to this problem of eliminating excess capacity would only add to either steel users' costs or taxpayers' bills," Lord Marsh, chairman of the British Iron and Steel Consumers' Council, said yesterday.

Lord Marsh said the output of the main steel consuming industries—mechanical engineering, construction, motor vehicles and metal goods—had fallen massively since mid-1979, and there were no medium-term forecasts indicating that British Steel Corporation's existing capacity would soon be fully utilised.

Unless cuts were made, British Steel's operating costs would remain high and be passed on to its hard-pressed customers.

"To put British steel users at a disadvantage by depriving them of access to steel on the same terms as are available to their competitors would make no economic sense."

Lord Marsh also expressed concern about recent calls for tighter restrictions on steel imports.

"Two-thirds of our imports come from other EEC countries. There are elaborate pricing rules governing sales within the EEC. The Commission needs to deal more effectively with breaches of them.

"The rest are already subject to controls on price and, in many cases, quotas. There is a real danger that further restrictions on them would provoke retaliation against the exports of (British) steel producers. Every country which supplies us with steel buys substantially more of the exports of our steel using industries."

Lord Marsh recognised that the Government, which is studying with British Steel the question of further major capacity closures, might decide that the social consequences of further retrenchment were intolerable. In that case, "the costs involved should be identified and compensated for, and not imposed on steel users in the form of higher prices."

Lord Marsh also said he saw no justification for any steel price increases next year. Users' profit margins were seriously eroded by steel price increases imposed early this year and their markets remained depressed.

The steel using industries provided 15 times as many jobs and exports as steel producers, he said.

"No useful economic purpose would be served by protecting the steel industry at the expense of its customers. That would simply be to transfer unemployment from steel to engineering workers."

Parliament, Page 10

Exhibition wins orders £½m for small compa

BY TIM DICKSON

BETWEE

77376 MBWRLS G
KEY+8739393+
MOORLT RS39393
77376 MBWRLS G 8.11.82 TLX NO 4388/82

ATT C[illegible]IS REYNOLDS
=================

SUMMARY OF CABLE LAID SLINGS SOLD TO DATE

CUSTOMER	NO OFF SLINGS	DESCRIPTION	WT KILOS	VALUE
2/6287/81 MONTREAL ENG	4	90 FT 6'' DIA		
	16	90 FT 7''		
	16	90 FT 8''		
	8	90 FT 9''		
M	4	90 FT 10''		
	4	70 FT 7''		
	4	45 FT 8''		
	4	50 FT 9''		
	4	120 FT 8''		
	64		351,068	283797.73
2/6112/82 MONTREAL ENG	4	60 FT 10''		
	2	40 FT 9''		
	2	40 FT 8''		
	4	70 FT 6''		
	4	50 FT 6''		
	4	40 FT 6''		
	8	70 FT 5''		
	28		89,086	96398.91
2/6591/81 HEEREMA	8	46 FT 6''	12,984	18440.00
2/6266/82 ATRACON (MC DERMOTT)	4	90 FT 6''	11,488	14095.60
2/6394/82 P.S.C FREYSSINET	4	8.5 MT 5.1/4''		
	4	7.9 MT 5.1/4''		
	8		7,884	14880.00
2/6519/82 HOWARD DORIS	1	61.64 FT 6.3/4''		
	1	60 FT 6.3/4		
	1	64.6 FT 6.3/4		
	1	62.96 FT 6.3/4		
	4		10,231	15740.00
2/1507/82 RAYMOND BILLS	2	25 FT 6.1/2	2,504	10814.00
	118		485245	454166.24

REGARDS
JIM SLATER

MOORLT RS39393
77376 MBWRLS G

77376 MBWRLS G
8812671 BRRTCW G
ZCZC LXD308 01.12.82 20.24 CW2206
WTX
77376 77376 MBWRLS G
.MM0700

W/O 6638

TO: MARTIN BLACK LTD TLX 77376
ATTN: EDDIE BELL

FM: BROWN AND ROOT COLLIERS WOOD LONDON TLX 8812671

CW: 18892 1ST DECEMBER 1982 LH

THIS IS BROWN AND ROOT UK LTD MATERIALS MANAGEMENT SERVICE GROUP
AS AGENTS FOR BROWN AND ROOT S.A. BAHRAIN

SUBJECT: OUR ENQUIRY NO: ME 2426/270-03789
YOUR QUOTE NO: 3427/82 DATED: 8 SEPT 1982
CONFIRMED VALID BY TELECON WILSON/BELL ON 1.12.82
PURCHASE ORDER NO: 017 0270 004 00001

PLEASE ACCEPT THIS TELEX ORDER AS AUTHORITY TO PROCEED WITH THE
SUPPLY OF THE FOLLOWING ITEMS

ITEM	QTY	DESCRIPTION	UNIT PRICE
1	4	5.5 INCH DIAMETER X 80 FOOT MATCHED LENGTH 6 X 25 IWRC RT HAND REGULAR LAY CABLE LAID WIRE ROPE SLINGS, WITH 10 FOOT MAKLOK EYE LOOP TERMINATIONS AT EACH END AND EXTRA SEIZING ON EYES. NON GALVANISED IMPROVED PLOW STEEL (REQN ITEM 1)	PNDS 2707.73

TOTAL ORDER VALUE: PNDS 10830.92

THE TERMS OF THE ABOVE ARE:

F.O.B. UK PORT

DELIVERY DATE: 22 DECEMBER 1982

TEST CERTIFICATES: 3 COPIES A.B.S. CERTIFICATION PRICE INCLUDED.

INSPECTION: NOT REQUIRED.

METHOD OF PACKING: SUITABLE FOR SEAFREIGHT

SHIPPING INSTRUCTIONS: WILL BE GIVEN FOLLOWING RECEIPT SHIPPING
DETAILS AND TEST CERTIFICATES.
MARKING INSTRUCTIONS: BROWN AND ROOT S.A. BARGE: HERCULES 270
BAHRAIN/ IN TRANSIT P.O NO 017 0270 004 00001
MADE IN UNITED KINGDOM.
GROSS WEIGHT .... KGS
NETT WEIGHT .... KGS
DIMENSIONS .... CMS
PIECES NO 1/UP

BROWN AND ROOT STANDARD TERMS AND CONDITIONS WILL APPLY TO THIS
CONTRACT.YOUR PURCHASING CONTACT THIS ORDER WILL BE MR D R WILSON

PLEASE TELEX BY RETURN YOUR ACCEPTANCE OF THIS ORDER AND ADVISE US
OF YOUR WORK ORDER NUMBER.

OUR OFFICIAL CONFIRMING PURCHASE ORDER WILL FOLLOW ON RECEIPT OF
YOUR TELEX REPLY.

REGARDS
C N SMITH - PURCHASING SUPERVISOR.

CC: EXPEDITING/TRAFFIC

ENDS
+
77376 MBWRLS G
8812671 BRRTCW G

PURCHASE ORDER

PAGE 1 OF 4

DATE 7.12.82

BROWN & ROOT (UK) LTD.

BROWN & ROOT HOUSE,
125 HIGH STREET, COLLIERS WOOD, LONDON SW19 2JR
Telephone: 01-540 8300 Telex: 8812671/2

RECEIVED 9 DEC 1982

VAT No. 216 6986 33
Registered in England No. 645125
Reg. Office: BROWN & ROOT (UK) LTD
82 PALL MALL, LONDON, SW1Y 5HH

ORIGINAL NOTIFICATION	CONFIRMATION
	X

SHIP TO To be advised by Brown & Root (U.K.) Ltd., Traffic Dept., and in accordance with BAH/SEA/BARGE

Number below must be shown on all shipments, invoices and correspondence.

SHIP VIA As Above

F.O.B. UK Port

SHIPMENT PROMISED BY	TERMS	REQ. No.	JOB No. & ACCOUNT
22.12.82	N.M.A.	270-03789	17-1218-007 (002) MM 0700

P.O. No.
017-0270-004-00001

TO
Martin, Black & Co. (Wire Ropes) Ltd.
Speedwell Works
COATBRIDGE
Strathclyde
ML5 4RS
Attn: Mr. E. Bell Tel: 0236-22566 Tlx: 77376

Vendor will sign and return carbon copy of this purchase order accepting all terms and conditions under which it is issued within five days.

Please render invoices for payment in duplicate.

The Terms and Conditions set out on the back hereof and any attachments hereto are a part of this order and have the same effect as if set out on this side.

QUANTITY	UNIT	ITEM	DESCRIPTION	UNIT PRICE	AMOUNT
			Project Purchase Order No. 017-0270-004-00001-1218-00		
			This Order is placed by Brown & Root (U.K.) Ltd. as Agents for Brown & Root S.A. Bahrain		
4	Each	1	Matched Length Cable Laid Slings in Non-Galvanised Improved Plow Steel, 5.5 inch dia., 6 x 25 IWRC Rt Hd Regular Lay Wire Rope. 80'-0" long with 10'-0" Maklock Eye Loop Terminations at each end and with extra Seizing on the eyes. (Reqn. Item 1)	£ 2,707.73	£10,830.92
			TOTAL VALUE OF ORDER		£10,830.92
			Prices		
			The above prices include for delivery F.O.B. UK Port. Point of delivery in accordance with INCO Terms 1953, Latest Edition.		
			The above prices which are as stated in your telex quotation ref. 3427/82 dated 8th September 1982, are fixed and firm for the duration of this contract and not subject to escalation.		

DRW/mcp
0395T (19B)

INTENDED USE OF MATERIAL O.N.G.C. Blow-out of SJ Platform Replacements (Reimbursable)

REQUISITIONER R.E. Merren

BROWN & ROOT (UK) LTD
As Agents for Brown & Root S.A. Bahrain

By C. N. Smith

PURCHASING MANAGER

C.N. SMITH
Purchasing Supervisor

VENDOR'S COPY

P.O. No.
017-0270-004-00001

BROWN & ROOT (UK) LTD. Reps. for
As Agents for Brown & Root S.A. Bahrain

PURCHASE ORDER CONTINUATION SHEET

QUANTITY	UNIT	ITEM	DESCRIPTION	UNIT PRICE	AMOUNT

The material is for export to BAHRAIN and is exempt from VAT (Zero Rated). Brown & Root Traffic department will provide Certificates of Shipment.

This order confirms the telephone conversation between our Mr. D.R. Wilson and your Mr. E. Bell on 1st December 1982 at which time prices and delivery herein were verified and also confirms our telex ref. CW 18892 dated 1st December 1982. DO NOT DUPLICATE.

Conditions of Purchase

This order is subject to the printed Standard Terms and Conditions on the reverse of Page 1 of this order.

Country of origin of material: U.K.

Export Procedures

Vendor to supply the full eight digits of the Customs Co-operation Council Nomenclature (CCCN) against each item and should be made available at the initial contact by the Traffic department.

Expediting

Brown & Root reserve the right to request and receive any reasonable amount of information pertinent to this Purchase Order, including the identity of sub-contractors and/or sub-suppliers.

In addition, Brown & Root reserve the right of access to all manufacturing facilities providing due notice has been given for the purpose of ascertaining whether or not satisfactory progress has been achieved.

Test Certificates

Three (3) copies of all A.B.S. and Manufacturers Wire Rope Certificates. Certificates to be duly endorsed with B&R P.O. No. and Item No. and are to be mailed to:-

P.O. No.
017-027[redacted]-00001

BROWN & ROOT (UK) LTD. Reps. for
As Agents for Brown & Root S.A. Bahrain

PURCHASE ORDER CONTINUATION SHEET

QUANTITY	UNIT	ITEM	DESCRIPTION	UNIT PRICE	AMOUNT

Brown & Root (UK) Ltd.,
Brown & Root House,
125 High Street,
Colliers Wood,
London
SW19 2JR
Attention: Mr. C.N.Smith

Test Certificates to be received in this office prior to release of materials for shipment.

Inspection

This Purchase Order is subject to A.B.S. Inspection. Brown & Root (U.K.) Ltd., will not be Inspecting.

Quality Assurance/Quality Control

Inspection, examination and/or witness tests of workmanship and performances of all material specified in this Purchase Order shall be carried out by A.B.S. and/or their representatives, at all reasonable times.

Such inspection, examination or testing shall not release the vendor from any obligations under the contract.

Shipment, Material Marking and Documentation

The details contained in the attached instructions ref. BAH/SEA/BARGE are an integral part of this order and are to be strictly observed. (*) In connection with these Instructions, note this equipment is to be marked for Barge "Hercules S.270".

Movement details will be given by our Traffic Department. No deliveries are to be made by vendor without prior reference to Brown & Root Traffic Department, contact Mr. C. Corbett Tel. No. 01-540 8300 or Telex No. 8812671.

NOTE: FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN DELAY IN SETTLEMENT OF INVOICES.

P.O. No.
017-0270-004-00001

BROWN & ROOT (UK) LTD. Reps. for
As Agents for Brown & Root S.A. Bahrain

PURCHASE ORDER CONTINUATION SHEET

QUANTITY	UNIT	ITEM	DESCRIPTION	UNIT PRICE	AMOUNT

Invoicing

All invoices must be submitted in triplicate and identified as follows:-

Purchase Order Number 017-0270-004-00001

Invoices must be submitted and will be paid in the currency stated herein. Failure to comply with these instructions may result in delay in payment of invoices.

Invoices are to be addressed to:-

Brown & Root (UK) Ltd.,
Olympic House,
200 The Broadway,
Wimbledon,
London,
SW19

Attention: The Accountant, Engineering Group Accounts

Any change to details of this order requires confirming approval in the form of our official change order.

It is a condition of this Purchase Order that you sign and return the attached "Acknowledgement" within five (5) days of receipt of this order, quoting your works reference number.

Attachments

Shipping Instructions BAH/SEA/BARGE.