



*File*

*BM*

*CDJ*

10 DOWNING STREET

THE PRIME MINISTER

28 April 1986

*Dear Sir Austin,*

Thank you for your letter of 9 April about the privatisation of Land Rover-Leyland.

I share your concern about the prospects for Truck and Bus and I am grateful to you for the considerable efforts you have already made to resolve this problem.

I should also like to take this opportunity of thanking you most warmly for all that you have done for BL during your time as Chairman.

*Yours sincerely*  
*Margaret Thatcher*

Sir Austin Bide

*CA*



DEPARTMENT OF TRADE AND INDUSTRY

1-19 VICTORIA STREET

LONDON SW1H 0ET

Telephone (Direct dialling) 01-215

5422

GTN 215 .....

(Switchboard) 01-215 7877

PS/ Secretary of State for Trade and Industry

25 April 1986

David Norgrove Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
LONDON  
SW1

*Dear David,*

Thank you for your letter of 10 April 1986 requesting a draft reply to Sir Austin Bide's letter of 9 April about the problems of Leyland Trucks and Leyland Bus.

We advise the Prime Minister to reply, sympathising with Sir Austin's concern and expressing gratitude for his offer of help. The reply also provides a convenient opportunity for the Prime Minister to thank Sir Austin for his efforts as Chairman of BL.

... A draft reply to Sir Austin is attached.

*Yours sincerely*

*C Bradley*

CATHERINE BRADLEY  
Private Secretary

DW1BCH



*Please type*

*BM2AJR*

~~DRAFT~~ FOR THE PRIME MINISTER TO SEND TO

Sir Austin Bide  
Chairman  
BL Plc  
106 Oxford Road  
Uxbridge  
MIDDLESEX  
UB8 1EH

Thank you for your letter of 9 April about the privatisation of Land Rover-Leyland.

I share your concern about the prospects for Truck and Bus and I am grateful to you for the considerable efforts you have already made to resolve this problem. I should also like to take this opportunity of thanking you for all that you have done for BL during your time as Chairman.

*most warmly*

DW1BCI



Ind Pol: BL. PE 11.



Sir Austin BIDE

8/11

24/4

ack/ 10 April 1986

I enclose a copy of a letter which the Prime Minister has received from Sir Austin Bide.

I should be grateful if you would provide a draft reply which the Prime Minister might send to Sir Austin by Thursday 24 April.

(DAVID NORRGROVE)

Miss Catherine Bradley,  
Department of Trade and Industry.

Reminds  
Pass to me  
for phone chase also.  
JD 24/4

EC





6

**BL Public Limited Company**  
106 Oxford Road, Uxbridge  
Middlesex UB8 1EH  
Telephone: 0895 51177  
Telex: 263654  
Cables: Leymotors Uxbridge Telex

9th April, 1986

**Private and Confidential**

The Rt. Hon. Mrs. Margaret Thatcher, FRS, MP,  
10 Downing Street,  
London SW1

*Dear Prime Minister,*

Very many thanks for your letter of 3rd April telling me of the plan (subject to consultation) for secondary legislation under the forthcoming Financial Services Act to re-establish the pre-1956 prospectus provisions. This is excellent news and will, indeed, be most helpful.

May I take this opportunity before passing the Chair of BL to Graham Day at the end of the month, to tell you that though some of the behavioural aspects and, of course, the outcome of the GM affair were, to say the least, depressing, it was a comfort to know that your judgement of the best commercial choice was the same as ours.


We are, of course, pushing on as fast as possible towards identifying the most commercially tenable plan for the Land Rover/Range Rover and other commercial vehicle businesses.

The most difficult residual problems attach - as I am sure you know - to the Truck and Bus Companies. As to the first of these, there is a distinct likelihood that unless GM's interest in it can be revived, it will either be a perpetual "passenger" or have to be liquidated with whatsoever consequences.

There may be a moment when a high level attempt to bring GM back to do the best deal that can be contrived is feasible. If it should be so, then I hope profoundly that you and the Secretary of State will be willing and able to take appropriate action. If, in such circumstances, I can be of the slightest help, I am, needless to say, at your disposal.

With kindest regards and best thanks for your efforts on BL's affairs during some trying years.

*Sincerely -  
Austin Bide*



Sir Austin Bide  
Chairman