



Bm

10 DOWNING STREET

THE PRIME MINISTER

28 April 1986

Dear Mr. Bamford,

Thank you for your letter of 23 April.

I recognise that the decision not to proceed with the sale of Land Rover at this time must be a disappointment. But this letter gives me an opportunity to say that I wish you and JCB continuing success.

Yours sincerely  
Margaret Thatcher

Anthony Bamford, Esq.

OA



Rocester Staffordshire England ST14 5JP  
Telephone Rocester (0889) 590312  
Telex 36372 Fax No. 593612

Your ref AB/cb  
Our ref  
Date 23 April 1986

The Rt Hon Margaret Thatcher MP  
Prime Minister  
10 Downing Street  
London  
SW1

*Ask with thanks plea*

*Dear Prime Minister*

I have pleasure in enclosing a copy of an announcement we are making today, which demonstrates the strong support enjoyed by JCB from farmers and Land Rover dealers.

I would particularly draw your attention to the research among farmers. This group has extensive experience of both companies' vehicles: 91% of those expressing an opinion were in favour of JCB being in charge of Land Rover.

Similarly a majority of Land Rover dealers who expressed a preference opted for JCB.

If you have any further questions about our proposals for Land Rover please do not hesitate to get in touch with me, Rooney Massara or Don Hume at Rocester.

Yours sincerely

*Anthony Bamford*

ANTHONY BAMFORD  
Chairman and Managing Director

Enc





# NEWS RELEASE

DATE: 23rd April 1986  
CONTACT: Don Hume, JCB: 0889 590312

## LAND ROVER DEALERS AND FARMERS FAVOUR JCB

In a survey conducted by MORI, a majority of Land Rover dealers who expressed an opinion on the issue favoured JCB being in charge of Land Rover. Three out of four of the 101 Land Rover dealers in the sample expressed a view and, of these, 55 per cent were in favour of JCB being in charge.

The MORI survey, on behalf of JCB, shows that a high proportion of Land Rover dealers believe that JCB would improve Land Rover's performance in such areas as management, product quality and profitability - and a similar survey conducted simultaneously among farmers shows even greater support for JCB.

MORI asked Land Rover dealers to say, on a range of different aspects, whether they felt Land Rover would be better or worse than at present if JCB were in charge. On every aspect, far more of the dealers who knew JCB said Land Rover would fare better rather than worse under JCB, with the most dramatic contrasts being on profitability (62 per cent better, 3 per cent worse), competition with the Japanese (57 per cent better, 4 per cent worse) and exports (45 per cent better, 5 per cent worse). Other striking contrasts were in the assessments given by the Land Rover dealers on marketing and sales (46 per cent better under JCB, 9 per cent worse), product quality (50 per cent better, 8 per cent worse), and management (41 per cent better, 5 per cent worse).

The sample of farmers in England and Wales interviewed by MORI is significant as this particular group is familiar with the products of both companies with over half the sample of 300 either having used or owned JCB vehicles and 81 per cent having owned or used Land Rover vehicles.

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Rocester Staffordshire England ST14 5JP Telephone Rocester (0889) 590312 Telex 36372 Fax No. 590588

As with the dealers, three out of four of the farmer respondents expressed an opinion - and, of these, 91 per cent were in favour of JCB being in charge of Land Rover and only 8 per cent were opposed.

MORI also asked those farmers who knew JCB to say whether they felt Land Rover would be better or worse than at present with JCB in charge. Overall, on every aspect, at least a third of respondents believed that with JCB in charge there would be an improvement - 61 per cent believed JCB would improve profitability and only one respondent said it would be worse under JCB. Again, a high proportion believed that Land Rover would be better off if JCB were in charge in terms of competing with the Japanese (59 per cent better, 4 per cent worse), product quality (51 per cent better, 2 per cent worse), product engineering (48 per cent better, 1 per cent worse), management (47 per cent better, 1 per cent worse) and marketing and sales (48 per cent better, 3 per cent worse).

- ENDS -

NOTE

For further information on the MORI poll, contact Peter Hutton at MORI - tel: 01-222 0232

For further information on JCB, contact Don Hume - tel: 0889 590312

Technical Note

Dealers

MORI interviewed a representative sample of the proprietors and managers of 101 of Land Rover's 226 authorised dealers in the United Kingdom. Interviews were conducted by telephone on April 21st and 22nd, 1986.

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Farmers

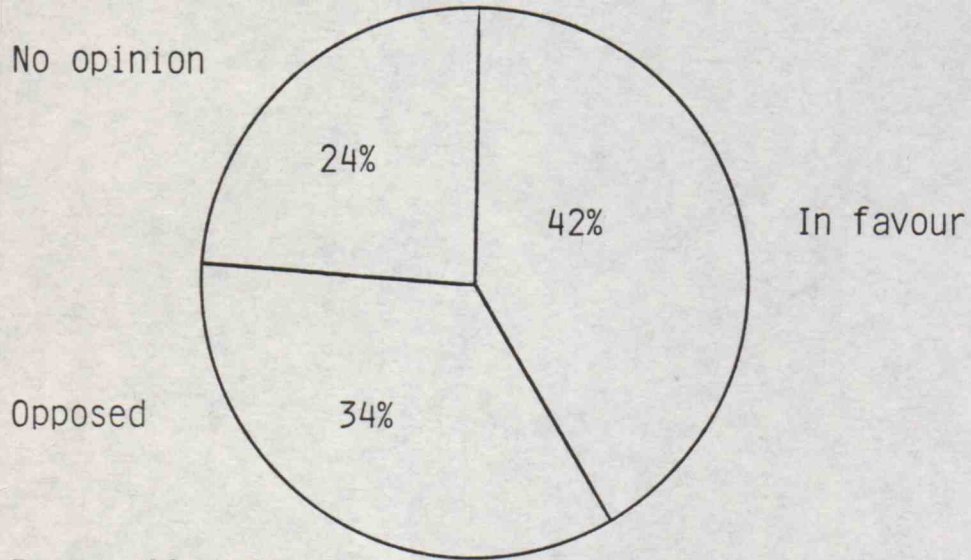
MORI interviewed a representative sample of 300 farmers on farms in England and Wales at least 100 acres. Interviews were conducted by telephone on April 21st and 22nd, 1986.

Copyright MORI, 1986

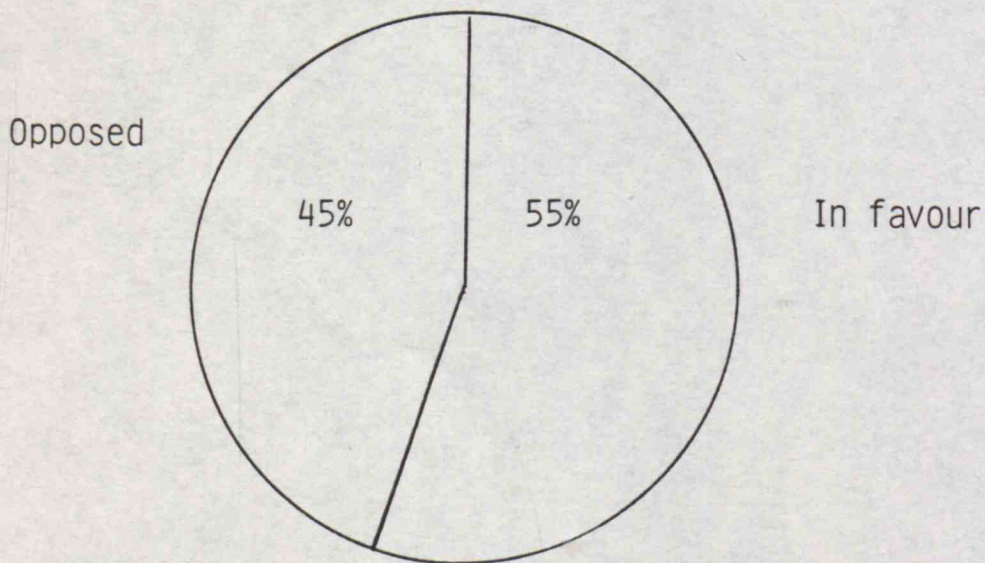
SUPPORT FOR JCB BEING IN CHARGE

Dealers

Q On balance, would you favour or oppose JCB being in charge of Land Rover?



Base: All (101)



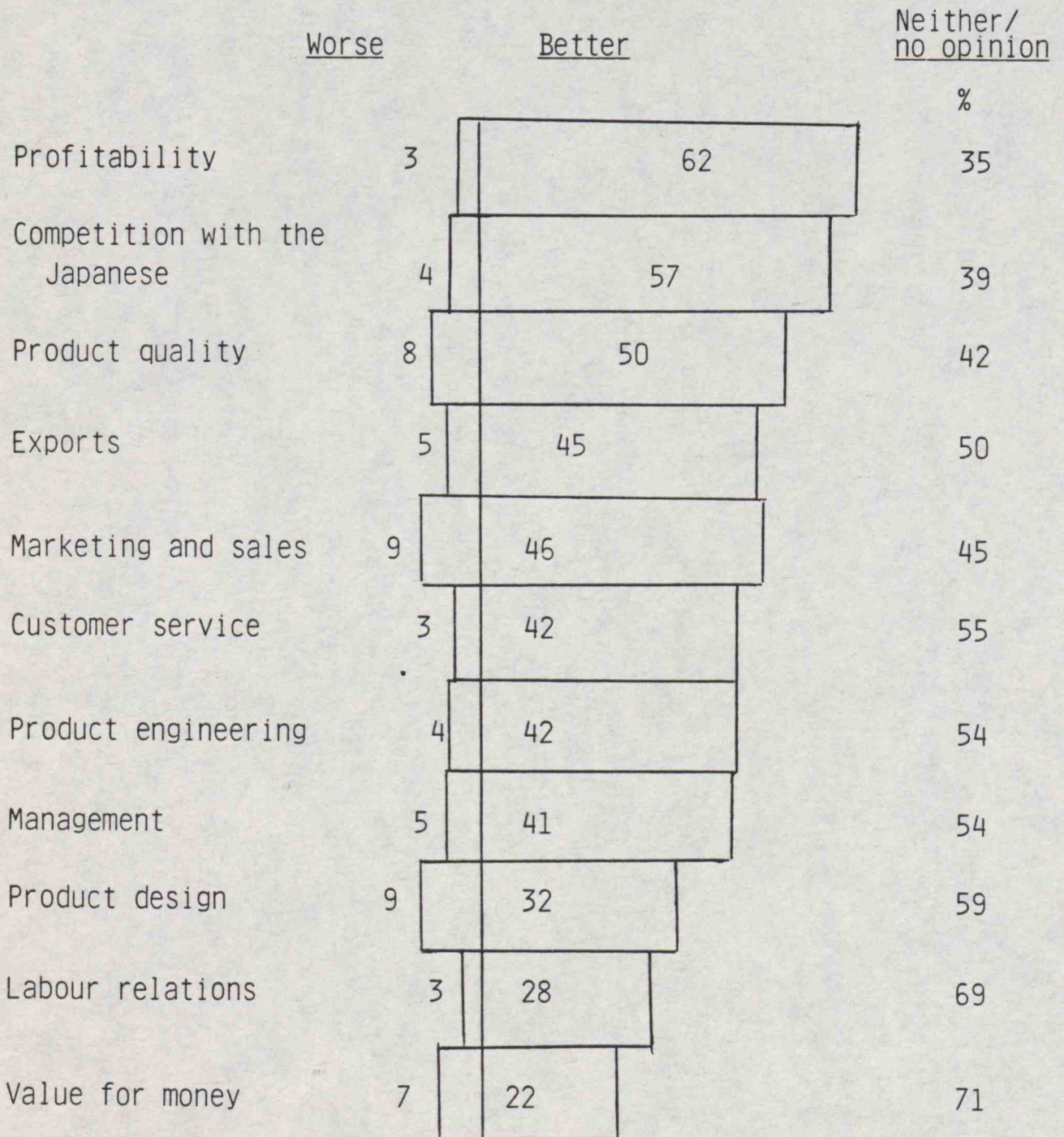
Base: Expressing an opinion (76)

Source: MORI

LAND ROVER UNDER JCB

Dealers

Q Now I am going to read out some things and would like you to tell me if JCB were in charge of Land Rover would you say it would be better or worse than at the moment or would it make no difference, so far as you know?



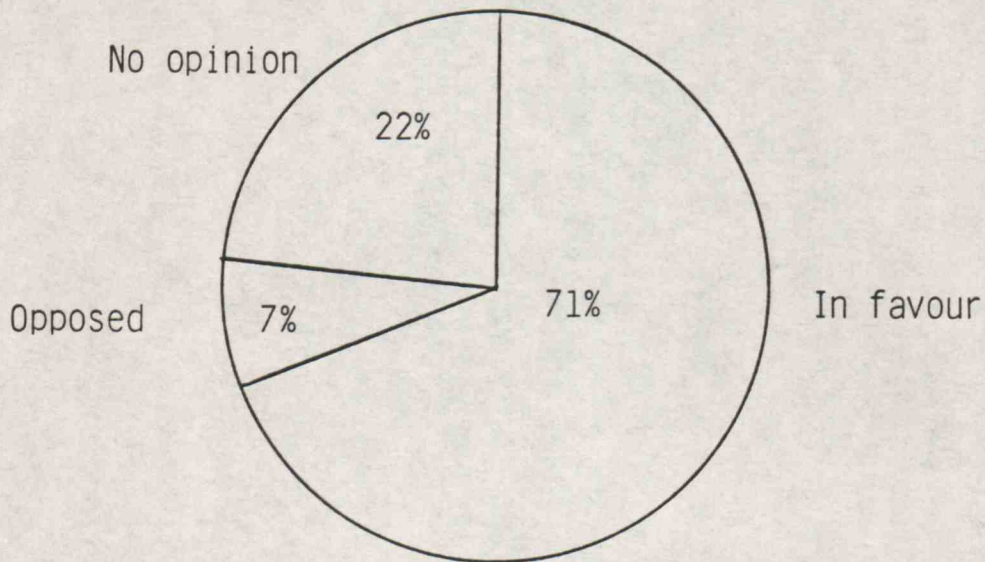
Base: Know JCB (74)

Source: MORI

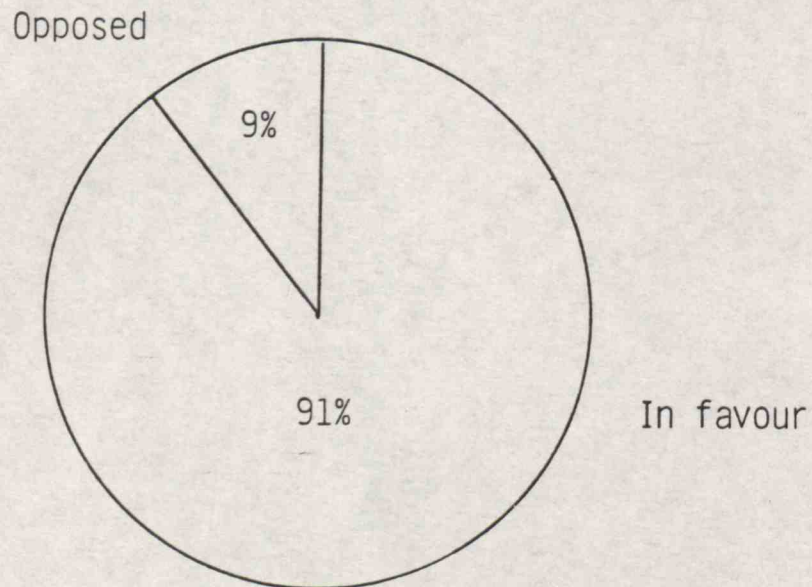
SUPPORT FOR JCB BEING IN CHARGE

Farmers

Q On balance, would you favour or oppose JCB being in charge of Land Rover?



Base: All (300)



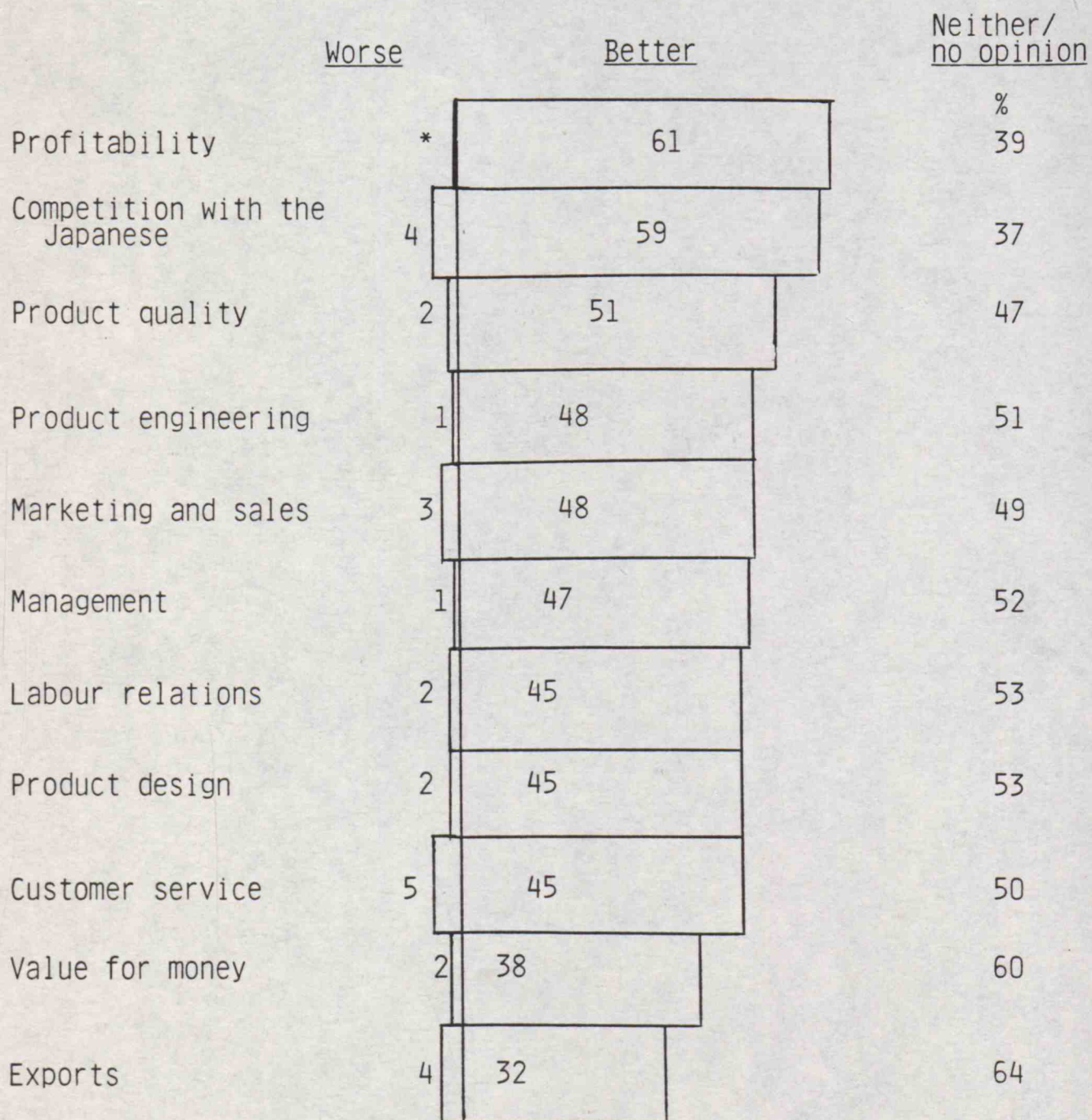
Base: Expressing an opinion (236)

Source: MORI

LAND ROVER UNDER JCB

Farmers

Q Now I am going to read out some things and would like you to tell me if JCB were in charge of Land Rover would you say it would be better or worse than at the moment or would it make no difference so far as you know . . .



Base:

Source: MORI





**BL:**

With your permission, Mr Speaker, I should like to make a Statement.

When I made my statement to the House on 25 March following the ending of the talks between BL and GM on the privatisation of the main Land Rover-Leyland businesses, I made it clear that BL would continue to study alternative ways forward for all the businesses concerned. In the particular case of Land Rover and Freight Rover, BL asked for proposals to be made by 15 April. As the House is aware, four proposals were received. These were from Aveling Barford in respect of Land Rover and Range Rover; J C Bamford in respect of Land Rover, Range Rover and possibly Freight Rover; Lonrho in respect of Land Rover and Range Rover; Schrodgers (acting for a management and institutional consortium) for Land Rover, Range Rover and Freight Rover.

The BL Board have carefully considered these proposals and they have weighed them against the option of retaining Land Rover and Freight Rover within BL for a possible flotation or trade sale at a later date. The Board have concluded, on both commercial and industrial grounds, that retention of the businesses within BL pending a later sale presents a more attractive option for BL than any of the bids which have been received. The Board have therefore recommended to the Government that none of the bids be pursued and that the companies be retained within BL while preparations for future privatisation are made. The Government have accepted the Board's recommendation.



10 DOWNING STREET

*From the Principal Private Secretary*

15 April 1986

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Dear Mr. Bamford,

Thank you for your letter of today with which you enclosed some further information for the attention of the Prime Minister regarding the bid by J C Bamford Excavators Limited for the Land Rover Group.

I will place your letter before the Prime Minister and I know that she will wish me to thank you for writing.

*N. L. Wicks*  
N. L. Wicks

N.L. Wicks

Anthony Bamford, Esq.

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# J C BAMFORD EXCAVATORS LTD



Rocester Staffordshire England ST14 5JP  
Telephone Rocester (0889) 590312  
Telex 36372 Fax No. 593612

Your ref

Our ref APB/ms

Date 15 April 1986

N Wicks Esq, CBE  
10 Downing Street  
Whitehall  
LONDON SW1A 2AA

Dear Mr Wicks

You will be aware an approach has already been made regarding the bid by J C Bamford Excavators Ltd for the Land Rover Group.

I enclose further information for the attention of the Prime Minister. This has already been presented to the Department of Trade and Industry, Hill Samuel and members of the British Leyland Board.

I should be grateful if you can ensure this is placed before the Prime Minister as soon as possible.

Yours sincerely

ANTHONY BAMFORD  
Chairman and Managing Director

enc





# J C BAMFORD EXCAVATORS LTD



Rocester Staffordshire England ST14 5JP  
Telephone Rocester (0889) 590312  
Telex 36372 Fax No. 593612

The Rt Hon Margaret Thatcher MP  
10 Downing Street  
Whitehall  
LONDON SW1A 2AA

*Prime Minister*  
Your ref **2**  
Our ref APB/ms  
Date 15 April 1986  
*I have checked*

*None of the details  
you have already seen.*  
PRIVATE & CONFIDENTIAL

*Dear Prime Minister*  
*No need to read them. +  
they are not attached.*  
*N.L.W. 15.4*

## LAND ROVER GROUP

Because of your particular interest, I felt it would be appropriate for you to see the enclosed brochure which describes why I believe that my Company offers the most secure future for Land Rover. This information has already been presented to Hill Samuel, the Leyland directors concerned, and the Department of Trade and Industry. *MT*

I would particularly wish to bring to your attention the following advantages of my Company, which I believe set us apart from the other bidders.

- Our high standard of dedicated management has made us successful in increasing our world market share over the past few years against very strong Japanese and American competition - from 11% to 17%.
- Our Company is financially sound with an outstanding profit performance. We made a profit of £25 million pre-tax last year, and our average return on capital employed over the past 10 years has been 27%. We have no borrowings and have never made a loss in the Company's history. This contrasts with Land Rover's accumulative losses of £28 million over the past 4 years.
- We have an outstanding record of success in developing our share of the European and North American markets. In Europe we take 30% of the market (Land Rover - 9%), and in the USA we have developed our market share over recent years to the present level of 10% (Land Rover - nil). The future of the Company hinges on its being successful in these markets. We believe that our credentials to achieve the necessary performance are vastly superior to other bidders.

In conclusion I would reaffirm our intention to run Land Rover as a private business for development in the long term. We are not interested in making a quick killing by floating it on the Stock Exchange. In addition, it would be our intention for all employees to share in the future success of the Company by means of a profit sharing bonus. This is exactly in line with the policy which has been adopted in my own Company for the past few years.

Yours sincerely

ANTHONY BAMFORD  
Chairman and Managing Director





BH

10 DOWNING STREET  
LONDON SW1A 2AA

*From the Private Secretary*

8 April 1986

Thank you for sending the Prime Minister a copy of your briefing pack on JCB's proposals for the future of Land Rover.

I am sure the Prime Minister will be interested to see it.

(David Norgrove)

Anthony Bamford, Esq.



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Rocester Staffordshire England ST14 5JP  
Telephone Rocester (0889) 590312  
Telex 36372 Fax No. 593612

Your ref

Our ref

Date

PL/nm

8 April 1986

The Rt Hon Margaret Thatcher MP  
Prime Minister  
10 Downing Street  
London  
SW1

*Dear Prime Minister*

*in folder at rear*

I have pleasure in enclosing a briefing pack on JCB's proposals for the future of Land Rover. We at JCB are confident that we can provide Land Rover with all the resources necessary for it to expand and prosper while remaining under British ownership and management. In short, we believe it to be the ideal match, bringing together two of Britain's most internationally successful engineering companies.

If I can at any stage provide you with any additional information, please do not hesitate to contact me, or in my absence to talk to Rooney Massara, Marketing Director, or Don Hume, Public Affairs Officer.

Yours sincerely

*Anthony Bamford*

ANTHONY BAMFORD  
Chairman and Managing Director

*Prime Minister 4*

*Some of the charts  
in this show what  
well run British  
manufacturing industry  
is capable of doing.*

*DKS*

*8/4.*

