

Subject

Mr. Major

file

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CCTA

10 DOWNING STREET

From the Private Secretary

7 October 1983

The Prime Minister today received a visit from Dr. An Wang of Wang Laboratories Inc. Your Secretary of State was also present. Dr. Wang presented the Prime Minister with the first model of the new business computer to come from Wang's pre-production facility at Stirling.

The Prime Minister began by congratulating Dr. Wang on the speed with which their Stirling operation had been constructed, with the decision to go ahead having been announced only a year ago. Dr. Wang explained the choice of location. Wang Laboratories preferred to recruit graduates direct rather than from competitors. As a result there were advantages in being close to a university.

Dr. Wang said that the turn-over of the UK operation had grown from £3 million five years ago to £55 million in the year just ending and next year it might reach £75 million. He said the UK subsidiary had the highest output per employee of any of Wang's worldwide operations. The Prime Minister received Dr. Wang's consent to quote this publicly.

Dr. Wang explained the importance of adapting technology to the market. His company made special efforts to receive feed-back from its sales efforts on where opportunities lay. He also explained that Wang did not attempt to compete head on with IBM in the main frame area but concentrated on the periphery which now accounted for the larger proportion of the market.

The Prime Minister accepted Dr. Wang's gift on behalf of the Government for use in the public service. CCTA are being asked to evaluate the computer to see where it can best be put to use.

The Wang representatives expressed interest in participating in the Alvey programme, without being specific.

I am copying this letter to Richard Hatfield (Cabinet Office) and to Dr. Freeman (CCTA).

ANDREW TURNBULL

Jonathan Spencer, Esq.,
Department of Trade and Industry.

Handwritten initials