

PRIME MINISTER

Wang Labs

I have followed up Wang's claim that their UK subsidiary has the highest productivity of any subsidiary in the Wang Labs Group worldwide. Wang trade in about 85 countries and have subsidiaries in approximately 50 of them, including all the main European countries. They have production facilities only in the US, Taiwan and Ireland, to which will shortly be added the facility at Sterling.

Wang produced the following figures for their most recent financial year:

- (i) orders per sales staff - \$731,000
- (ii) revenue per employee - \$162,000

These figures are substantially higher than for any other subsidiary being 44% and 26% higher respectively than the average for Europe.

It should be noted however that the figures are for sales and orders not production. To a degree they measure the effectiveness of the sales force but maybe telling us just as much about Wang's market share in the UK.

While Wang's figures are perfectly genuine they do not really bear the construction we are putting upon them. They do not provide a counter example to the numerous stories of low output in UK production units which are using identical equipment to that in units abroad.

I think therefore that you should not deploy this material in your speech.

It was not used

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Andrew Turnbull

11 October 1983