

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 168/90



SUBJECT
CE MASTER
OPS.

File PRK
F.C.D.
IT

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

24 July, 1990.

Dear Prime Minister,

During our very useful meeting on 27 June I promised to encourage British firms to invest in the German Democratic Republic. Since then ReadyMix Concrete plc have been in touch with my office.

This major British company wishes to buy the Ruedersdorf Cement Works with which it already has a long established working relationship through its subsidiary in the Federal Republic. ReadyMix are prepared to make a major investment in the future of Ruedersdorf.

I understand that the management at Ruedersdorf are content with the acquisition by ReadyMix but the decision now lies with the Treuhandanstalt and could occur as early as 24 July.

I very much hope this major investment project will go ahead. It would be an early sign of the contribution which British industry can make in the GDR, and a great encouragement to other British investors. It would also create more competition in the market place.

Yours sincerely
Nargans Daltan

His Excellency Mr. Lothar de Maziere

ds

PRIME MINISTER

Sir Neil Macfarlane MP, acting on behalf of ReadyMix Concrete Limited, telephoned me at the end of last week about RMC's bid to acquire one of the four or five large East German cement works. Their French competitor Coppee-Longé had acquired two of the other East German works earlier last week, allegedly after political pressure from the French. Our Embassy in Berlin advised that a letter from you to De Maziere would help RMC's bid. FCO and DTI concur with that advice. I attach a draft letter which, if you agree, we will telex out to Berlin tomorrow since an important (though not, I understand, final) meeting with the East Germans takes place tomorrow evening.

DM

DOMINIC MORRIS

23 July 1990