

CONFIDENTIAL



cc: Mr. Young

289

10 DOWNING STREET

From the Private Secretary

20 June 1984

UNIPART

The Prime Minister has seen the minutes of the E(A) meeting on Monday 18 June and has noted the decision to allow Unipart to acquire Edmunds Walker. She hopes that in any announcement as much emphasis will be given to the ultimate objective of privatising the enlarged company as to the acquisition of E.W. She has also commented that she trusts that HMG is not guaranteeing the money being used to acquire E.W.

I am sending copies of this letter to David Peretz (H.M. Treasury) and Alex Galloway (Chancellor of the Duchy of Lancaster's Office).

Andrew Turnbull

Callum McCarthy, Esq.,
Department of Trade and Industry.

CONFIDENTIAL



10 DOWNING STREET

Prime Minister ⁽²⁾

To note the decision of E(A)
on Unipart. In order for
the acquisition of Edmunds
Walker not to look like
nationalisation by a Government
committed to the opposite, it
is essential that ultimate
objective of privatising
combined unit be stressed.

Agree I put this to
DTI? Yes no

AT

19/6

but - you know that
I feel I am restricted in
what I can say because
DTI is a director of Q.H. ^{1/2 is}
P.T.O.

a pity - because if I
weren't so restricted I
should be making it quite
clear that I am opposed
that Unipac should
be acquiring any company
from the Private sector. That
is not our job.

I trust UNICE is not
guaranteeing the money

me.

CONFIDENTIAL

NBPM 19/6

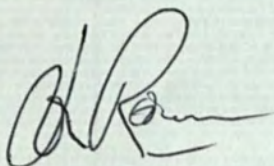
MR TURNBULL

19 June 1984

UNIPART

At the meeting with the Chancellor on Wednesday, the Prime Minister could just ask about the E(A) decision to allow BL Unipart to go ahead and nationalise Edmunds Walker.

This issue will require very careful handling as the press will say that we have gone into the business of nationalising the motor components industry and may make some acid comments about the lack of direction in our BL strategy. The commitment to privatise Unipart in a year could always slip or prove difficult, and needs to be stressed in any press release.



JOHN REDWOOD

DAUAAL

CONFIDENTIAL