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DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

Prime Minister ②

To note

AT 2/3

John Moore Esq MP  
Financial Secretary  
HM Treasury  
Treasury Chambers  
Parliament Street  
LONDON SW1P 3AG

M 29 February 1984

Dear John

will request if required

Thank you for your letter of 3 February about the timetable for the sale of Sealink.

I confirm that the sale document for Sealink has been delayed. The main reason for this was British Rail's decision, on the advice of their merchant bankers, to incorporate Sealink's audited results for 1983 in the sale document, rather than to rely as originally intended on a statement of the predicted outturn for 1983. BR now intend to issue a letter in the middle of March inviting people to say whether they have any firm interest in bidding for the company; they would then send the sale document to serious contenders at the end of the month. Their intention is to carry through the negotiations and to complete the sale by the end of June.

I share your concern about the slippage in the timetable and I am maintaining maximum pressure on British Rail to make quick progress. I have Bob Reid's personal assurance that everything will be done to keep to the present timetable. I am satisfied that those responsible

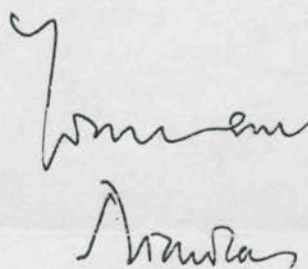
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for the sale within BR are as determined as we are, to get this company into the private sector as quickly as possible, subject of course to a purchaser offering terms which are acceptable.

British Rail have made it clear that they will shortly be seeking offers, both from those who have already expressed an interest, and more widely. In the last few days a consortium headed by Charterhouse Japhet and the National Freight Company, and including Sealink's senior management, have publicly stated their interest in bidding for the company.

I am sending a copy of this letter to the Prime Minister, and to E(DL) colleagues, and to Sir Robert Armstrong. I am writing separately to Michael Heseltine about the defence issues which have been raised about the sale of Sealink.

A handwritten signature in dark ink, appearing to read 'Nicholas Ridley', with a large, stylized initial 'N'.

NICHOLAS RIDLEY

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Privatisation

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