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Whitehall

M.

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you may be interested
to read a real life
experience which shows
(a) your own running and
(b) what can be achieved
by good management
Lorna J.



Quinton Hazell Limited

INTERNATIONAL MANUFACTURERS OF AUTOMOTIVE COMPONENTS

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RS/SM

7th November, 1980

Mr. D. Thatcher,
10 Downing Street,
London, W. 1.

Dear Denis,

A number of things have happened since we last met, so I trust the letter does not take too rambling a style.

Dealing with wage settlements first. You will be delighted to know that we have signed the deal with the hourly paid workers at Redditch at 8.9%. This was concluded yesterday. It was not without its moments. Earlier in the week, they decided that the 8.6% offer that we had made to them was insufficient and therefore, led by their full-time officials, they told us they proposed taking action (unspecified) against us. On Tuesday morning they indicated they were going to work to rule. I indicated they were not and the first people who were not doing a reasonable and sensible job would be formally warned in the presence of Shop Stewards and asked to consider the actions they were taking for 30 minutes. We would then ask them again and if they declined to be sensible we would suspend them. Five people - and you really only need a very few - decided to behave in this fashion and we took the action that we had prescribed. The net result was that the whole workforce left the premises and were out for one day on Tuesday. They came back on Wednesday morning and asked if they could have further negotiations. We told them that indeed they could, but only if they were prepared to behave in a sensible way, if not, we would take some action as we had the day before. Also, any negotiations that took place would be centered around pence and not pounds.

Without going into any further detail, they accepted this and we closed the deal yesterday at 8.9% I never cease to be amazed that people can be so stupid as to lose a whole day's pay, plus the inevitable bonus earnings, for 0.3%, which they would have had anyway if they had wanted to negotiate in a decent way. Nevertheless, we have got it concluded and without going overboard on it, I do have the feeling that it could be significant in the next round of negotiations with the other sites.

/continued.....

Undoubtedly, the word will have got out that the company has been prepared to take some pretty positive action very quickly.

Turning to other matters, following the paper presented to last week's Executive meeting, a small team led by Peter Redfern and including John Sheldon (Finance) and Mike Giles (Manufacturing) and someone from Group Planning at Swindon, will be in the USA next week doing a detailed survey with McQuay-Norris along the lines we highlighted. We have to come to a conclusion whether we wish to make a formal recommendation to the Burmah Board regarding this company or whether we wish to wander away. I want to do it this way, rather than it drift away from us and we could be in danger of that happening.

I would be interested in your comments concerning the papers we have put together so far and a copy of the detailed report when completed by the Working Party will be made available to you.

I trust you had a pleasant few days break.

Yours sincerely,

S. Moon

R. SOLLETT

pp.

Enc.