

Mr JOHN Z DE LOREAN

Mr Giles Shaw, Parliamentary Under Secretary of State for Northern Ireland, accepted an invitation to join Mr and Mrs John Z De Lorean for dinner when he was in New York on 30th November 1979. Mr Shaw's secretary, Miss J Taylor and Mr and Mrs R J Browne were also present.

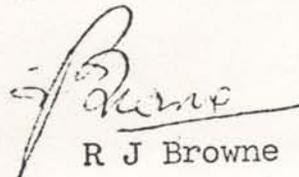
While the occasion was mainly of a social nature Mr De Lorean took the opportunity to refer to the proposal regarding ITEL Navigation which he had made to Mr G M W Gordon of the NIDA and Mr Shaw, in turn, gave his views on this proposal and also the publicity which had been given to the car project and the Government's desire to see it succeed.

Mr Shaw made it clear to Mr De Lorean that while he would continue to defend the car project in answers to questions in the House he and his colleagues were looking to Mr De Lorean to focus his energies on making a success of the project before the Government considered supporting any other proposals from him. Moreover there was some concern recently that an article in the Financial Times implied that Mr De Lorean did not fully realise the need for public accountability and in future articles of this kind the Government would like to see a recognition of this need. Mr Shaw also stressed that NIIDO could not entertain a joint advertising campaign with the De Lorean Motor Company. Mr De Lorean appeared to accept the latter decision but on the former point explained that the article had misrepresented him and assured Mr Shaw that he fully accepted the need for public accountability and was most appreciative of the massive assistance he had received from the Government. He reassured Mr Shaw that he was doing everything possible to ensure the success of the car project.

Mr De Lorean's views on the Lear Avia were sought. He said that the Department of Commerce would be unwise to get involved in the R&D expenditure. However he could, if the DOC so desired, raise some tax shelter capital for the project but on the question of the technology involved he was somewhat noncommittal saying that he had no esoteric knowledge of this aspect of the project.

This was a pleasant occasion in which a friendly atmosphere prevailed but Mr Shaw left Mr De Lorean in no doubt that he and his colleagues were depending on Mr De Lorean's energies and expertise being devoted to the successful completion of the car project.

Mr De Lorean had assured Mr Shaw that on the ITEL Navigation proposal he would be quite happy for the DOC and NIDA to consider the proposal on the understanding that he would not be involved. In the meantime he was prepared to pick up the cost of maintaining the ITEL office for 12 months without any contribution from NIDA. Mr Shaw indicated that the formal proposal would be looked at on this basis but did not hold out any prospect of Government involvement.


R J Browne

c.c. Mr M Maxwell - DOC
Mr J B C Lyttle - DOC
Miss J Taylor - Private Sec NI Office

3 December 1979