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R.S.C.

wones you kindly put a copy of your reper to 62 on this file pl. - thus to complete the pps. and in order that a suitable reply to (63 can be drafiert.

Mr. Clereny

ASC 8.5.79

the telephone turing. Apo tes 02

Miss Lawrence, I resked the Registrar to place a copy of his reply to 62 onto this file - so as to completé these pps and to provide me with material on which to base a reply to (5) the space to me afterwards by telephone to explain that his septy was an a file being held at g. H. and that he had no copy of it. I wonder if you could amonge for a copy of the R.S.C's minute to be put on this file pt?

9.5.79.

4

I have placed a copy of RSC's reply on this file. 1/10/5. 5

C. S.

I same see matter of Soure Georgia leases is being dealt write at government House and I should be gealiful for direction as to the repay to be given

٤.

3.

to the locour Agents letter at 64 -pl.

6.

Y.E.,

W. F.(64) and preceding minutes please.

I think I have the picture with regard to Grytviken but an somewhat vague as to the other properties and would therefore be grateful for Y.E.'s direction as to what instructions we should give C.A.s in answer to F.(64).

g. 11. 5. 79.

C.S.

14-5-79 c.s. itimite un shall have to forings, many the build ( Invindas, the of Albian star rente at Constriken a Hurike ( but we still have to callet - form Salvering The pool of the disport ? hain settled with Allion star). S.m. com confitm Rente he heith ite K An followed up with, Saburena, solvingnently the new T Cizytniken a Huspik. man for we really What Jiln are m connearon with Walk all thi? K/-

NOTE Action Continued m 54/13 Vol. 2

25 jori1 1975

BC alkor sq British mbaswy ASHINGTON

# REILL PISHING - SOUTH GEORGIA

1. I think the information south in your letter of 10 opril afreesed to dolton in LAD is best aswered by his in concultation with deep not liss and in TAD, the between the have all the necessary information requested by Ar anafield.

2. Ith regard to comorship of the whilin: st tions in fouth Georgin, liss must will no foust take into account by lotter to her 30/1/1 of 27 larch.

M . I . rench

Copy to:

S close so, 1.40

Dr J A Heap, Pelar Regions Section, LAD

Miss A Hunt, MAD

THE FINANCE (39)

EXTRACT FROM THE MINUTES OF THE MEETING OF STANDING FINANCE COMMITTEE WELD ON 16th JULY 1974.

# 14. SALE OF FIREARMS EX SOUTH GEORGIA

The Connittee were advised that the Chief Police Officer on behalf of Messrs Salvesen of South Georgia had recently sold some fire-arms for the sum of  $\mathcal{E}/5$  and that Messrs Salvesen had instructed that money realised be given to a Charity or Charities to be nominated by Government,

The sum of £75 had been received in May of 1974 and inadvertently paid into General Revenue.

Members present unanimously agreed that the proceeds should be divided equally between the Boys Brigade, Girls Brigade and the Youth Club, See paragraph 3 for provision of the necessary funds. (Managers) Limited

hristian Salvesen

Registered Office: Edinburah EH4 1EQ Telephone 031-552 7101

Telegrams, Inland & Foreign 50 East Fettes Avenue 'Salvesen, Leith, Telex' Telex 72222

J.R.W. Parker, Esg. O.B.E. Governor of the Falkland Islands Government House Port Stanley FALKLAND ISLANDS



GHE/dyc Our Ref.

Date 17 October 1977

Dear Mr. Parker:

Your Ref.

I believe that Frank Mitchell of the Falkland Islands Company had a word with you about Mr. Sharp, who has approached us about removing machinery and equipment from our stations at South Georgia. We have made it clear to him that he is not entitled to do this unless he has made a specific arrangement with us. We would be grateful if you would discourage anyone who makes any such approach to you.

Although we are not actively working on this, we always keep our eyes open for possible activities from South Georgia. At present we are not very confident about large scale catching of krill in the near future, at least by British enterprise, because the material is not as easily marketable as food and would have to be caught in very large quantities to provide a profit for fishmeal production. But I am sure that sooner or later some sort of activity, probably fishing, will start again from the Island.

I hope that the next time you are in London we shall have an opportunity of making contact in order to discuss potential developments.

Yours sincerely,

Directors: L.M. Harper Gow, M.B.E. G.H. Elliot R.B. Weatherstone Barry E. Sealey R.S. Salvesen T. Baron J.M. Barber

Company Registered in Edinburgh, No. 34748

## Mr Carey comments as follows:

There are no docks at Grytviken. These are at Stromness and there are two - one large and one small. When Mr Carey was there 2 years ago they were still floating and were tied alongside each other. The larger one was sufficient to take the "Shackleton" when she was holed in the ice.

some of/

Mr Carey has not been to Leith himself, but has been told that the roofs of/the buildings have collapsed with the weight of snow and in time all buildings will be affected with the consequent damage to any equipment inside. He considers attempts should be made to salvage such equipment (if any) while it is still possible.

The equipment at Grytviken was purchased through Messrs W Brandt who were Receivers for the Pesca Station (leased, he thinks, by Albion Star from a Mr Ryan)

# Chief Secretary

1. You may be interested to see the attached letter from Salvesens, which has a bearing on the plans we discussed in your Office with Mr Carey (who I think might also see this correspondence).

2. I have drafted a reply for any comments you and Mr Carey might have; in particular could you please fill in, from your files, the name of the firm from whom we bought the Grytviken stuff.

(lassima Salvissine and timon to at-chit, and the songical spripment is their) Governor

7 November 1977

2 I have no comments but I have filed in (with a plight concerdation) the dealt with Brands or (with a plight concerdation) the dealt with Brands or left wing the draft. (We dealt with Brands or agents for another (with shirt we can any arrents for another (with shirt we can any in the Archiver,) 2. Mr. Core is Comments are attached below a you may care to uncorporate the point that he has made within his second poragraph within you stext. 18/5

5 make

8 November 1977

G H Elliott Esq Christian Salvesen (Managers) Ltd 50 Bast Pettes Avenue EDINBURGH EH4 1EQ

I am glad of the opportunity afforded by your letter of 17 October to establish contact with your firm, as one of our major tenants at South Georgia. As you may understand, it would be an excellent thing for the development of the Dependencies, and possibly flowing from that, for these Islands, if there could be a reactivation of activity, especially fishing, by a British company. I am sorry I missed the opportunity to talk about this when I was recently on leave in London; I shall not now be home again until probably the middle of next year, but if any of your representatives should be in this part of the world. I would be only too pleased if they could come over to Stabley to talk to us. In the meantime, perhaps we may keep in touch by correspondence, and should you have any tentative ideas about possible projects I shall be glad to know about them.

On the particular point you mention - the approach from a Mr Sharp about the removal of machinery and equipment from your stations at South Georgia - I cannot recall Mr Mitchell being particularly specific about any such idea. He did mention the existence of a dry dock which could perhaps find some use here, but I was not sure whether he was referring to the dock which I believe lies sunken at Grytviken, or the two I think at Stromness, but our conversation was rather inconclusive.

In this connection you may know that the FI Government bought from the Receivers, Messrs. Brandt, the equipment, materials etc. left by Albion Star at Grytviken. With the help of the British Antarctic Survey vessels we have been bringing over such of this material as we would find useful here, and a further uplift exercise will be carried out over the next three or four weeks.

/I must



I must stress that we are only taking the items we purchased at Grytviken. I am however told that there is a lot of valuable equipment lying around elsewhere, particularly at Leith. A good deal of pilfering of this has been going on, and may get worse in the future as fishing vessels of various nationalities call in. Moreover the roofs of the buildings are beginning to collapse and their contents to deteriorate.

In particular there is, I believe, a large quantity of surgical instruments in the hospital at Leith which it would be a pity to see wasted, and which would, I might say, add to our financially restricted medical resources here (there has even been mention of an operating table). If this equipment does belong to you, you may of course not wish to dispose of it. But if you think we might obtain it for a reasonable price we could certainly put it to good use. You may be sure, by the way, that our Stores Officers, who carry out our retrieval operations, are very meticulous men, and would take nothing that does not belong to us. And, on your general point, they, and the base personnel, would certainly attempt to disuade anyone else from doing so although you may appreciate it is not possible for the small team there to keep much of an eye on what others do.

I look forward to bearing from you again; if you think we could come to an arrangement regarding the Loith surgical equipment perhaps you could let me know by cable.

J R W Parker

# GOVERNMENT TELEGRAPH SERVICE

# FALKLAND ISLANDS

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LEP BRANDTRANK LONDON BO

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GOVERNMENT TELEGRAPH SERVICE FALKLAND ISLANDS SENT 22 JANIO Office of Origin Number R.c. Words Handed in at ARE MAN TRUET BAJ/HE 14 BOWSER TENERGIESON BORTHANT BYC RETRALS DIFFICULTY INSTITUTING ALL ITERS THAT AND AVAILABLE AND IN CINCUMSTANCES WOULD YOU ACCEPT BLANKET OFFIC OF OUR PRODUCTS FOODS. CREEFSEC. Time R1125X9/72 50m

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LT CHIEF SECRETARY SECRETARIAT STANLEYFALKLANDISLANDS

23 JAN1976

YOURE 22ND AGREE ACCEPT ONE THOUSAND POUNDS FOR GOODS LISTED YOUR LETTER 24 OCTORER EXCEPT HILLING MACHINE WHICH ALREADY SOLD

DRANDTBANKLONDONEC 3

RELESS

COL 22ND 24 EC] ALSO

3.2.76

TO: LIF BRANDBANK LONDON EC3

# <u>NO 19</u>

THANKS YOUR TEL 23 JAN. INTEND REMOVING PURCHASES FEB/MARCH. IF IN COURSE OF OPERATIONS WE COME ACROSS OTHER USEFUL ITEMS WOULD YOU AGREE REMOVAL AND IF SO WOULD YOU ACCEPT A GLOBAL SUM FOR EVERYTHING AT GRYTVIKEN OR ALTERNATIVELY IF WE COULD AGREE LIST LATER.

CHIEFSEC

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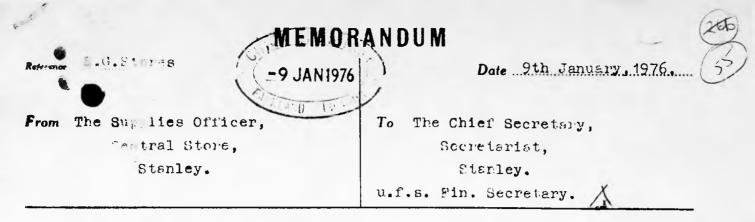
CHIEF SECRETARY SECRETARIAT

YOURS THIRD NO 19 AGREE REMOVAL ADDITIONAL ITEMS AND WILL ACCEPT GLOBAL SUM FOR ALL ITEMS STOP BRANDTBANK LONDONEC

COL 19

**CABLE &** 

Ň



Stores available at Grytviken.

Resulting from my recent visit to South Georgia with Mr. R. Stocks, I have compiled the attached lists showing items that are at Grytviken Whaling Station and which I consider are of interest to Gevernment, providing they are obtained at an attractive price. I have attempted to addess their current market value but, in most cases, have met with difficulty owing to the lack of price information available. 2. I think that in the case of furriture and machinery the Supt. Public Works should be asked to make an offer if he is interested in any of the items. I have left the offer column blank on the lists for him to make an offer if he so wishes.

3. There are many smaller items in the Stations main store which would be useful to Government but, owing to our limited time at South Georgia, and our having to crate furniture, we found it impossible to itemize them, especially having to work by torch light.

4. Should Government decide to follow up this survey and make an offer to the Whaling Company concerned, then it would be in our interest to have everything collected and shipped to Stanley is carly as possible.

Sup lies Officer.

Solili

#### THE SUNDAY TELEGRAPH FEBRUARY 20, 1977

Max Harper Gow

Until 1963 Salvesen was a

family partnership, its main operating company called the

South Georgia Company. It still

owns land on South Georgia, an

island south-east of the Falk-

lands, where it had its whaling

Today it is a company of con-

trasts, part modern, part traditional, private but trying more

and more to meet full public

company standards of accounting

and openness. It is part con-

The modern is epitomised by

its new head office sited to take

advantage of the view over the

full Edinburgh sky-line. Here

even the directors sit in open plan, hidden from each other

only by an astonishing jungle of

The traditional is symbolised

The traditional is symbolsed by the plaques at the entrance to the building. One indicates that this is the office of the Norwegian Consul in Edin-burgh (Harper Gow), another that the Finnish Consul is here (Thirth and a third that it is

(Elliot) and a third that it is

the official office of the Danish

Consul (Robin Salvesen, great-

The titles mean precious little

grandson of the founder).

glomerate, part integrated.

station.

pot plants.

EARLY next month the shareholders of Christian Salvesen will gather in Edinburgh for the company's annual general meeting. Chairman Max Harper Gow will greet them all person-ally for, with the exception own time." Harper Gow's own reign dates Then the various governments of a few institutions, all are related to him.

Salvesen. Managing director Gerald Elliot's mother was plso a Salvesen. There are two other family members on the nine-man board.

And, of the 400 shareholders in what is one of Britain's biggest private companies, the vast majority are direct descendants of Christian Salvesen, the Norwegian who founded the group in Scotland over 100 years ago.

Last week the company quietly released its latest report and accounts showing a turnover of £89.5 million and a pretax profit up from £4.7 million to a record £6.3 million.

The latest Inland Revenue agreed price for the shares. values the company at £13.65 million. A public quotation, which will probably come eventually, would put it considerably higher.

For all its family domination, bristian Salvesen is opening elf more and more to public e. preparing itself so that, in words of Max Harper Gow:



to the time when the company was the biggest whaler in the Harper Gow's mother was a world, mounting expeditions each year to the whaling grounds of the Antarctic. It was a business which Christian Salvesen, who emigrated to Leith in 1850, moved into at the turn of the century.

"Whaling was a business of either feast or famine," says director Barry Sealey, a nonmember of the Salvesen family.

got involved, thrashed out a quota system and Salvesen alone got 9 p.c. of the world whaling quota. It suddenly made the whaling enterprise a valuable asset.

Harper Gow and his cousin, Gerald Elliot, both of whom had often gone south with the whaling fleets, decided to get out while they had something to sell. The Japanese were interested and the fleet and

# BY IVAN FALLON

"Fortunately it was more feast than famine and the reserves of the company were built up."

In the early 1960s, however, the future of the whaling indus-try was clearly\_doomed. Each expedition cost £1m, lasted seven months and profits in the good days were about half a million a year. But, with the Japanese and Russians moving in heavily and the whale population in danger of extinction, the business was dying.

Ironically it was the British will be in the type of shape Government which rescued Sale we could go public any- vesen. In the free-for-all of

quota were sold, the fleet to be scrapped but the quota to be used to the full by the Japanese.

Last week's accounts sum up the net effort of the Salvesen management since. There have been some mistakes-the factory trawlers, for instance, were probably ahead of their time, technologically advanced but regarded suspiciously by traditiondogged fishermen.

But there have been some notable successes, particularly cold storage and transport. From owning a tiny coldstore built in Grimsby in 1958 to ser-



vice the factory ships, the company is by far the biggest cold storage company in the country today, nearly twice the size of its nearest rival.

"We had 300,000 cubic feet of cold storage in 1958, which was the year I joined," says Barry Sealcy, "Now we have 40 million.

From cold stores have come other developments. Salvesen today runs a fleet of 400 refrigerated lorries.

Some 150 of its lorries run under the British Home Storage emblem and from Atherstone, in Warwickshire, transport all the merchandise, frozen and un-frozen, for B.H.S. around its 100 stores.

Under Harper Gow and Elliot, Salvesen has extended its fishing and seafood interests (they made a trading profit of £1.4 million last year), spent in all some £45 million on housebuilding property and the brick-works continued the shipping business founded by old Christian Salvesen himself (to run coal and paraffin out of Leith and import timber from Norway) and, finally in 1973, moved into the oil industry by investing £5.5 million in a converted drillship to become the first British oil drilling contractor. retain the links with the Salvesen origin. The Salvesen emblem today is the Norwegian flag turned at a 45 degree angle. One feels that only recently

has the company been finding its longer term sense of direc-tion, gradually discovering through a process of trial and error the areas where it can best employ its considerable cash flow and resources.

The property division, for instance, nestles uneasily in the current structure. Harper Gow admits that there may come a point when the company "slims a bit."

"As a family company we've never been tied to doing one thing," he says. "We've always had the feeling that the company was more important than the things you're doing. Sometimes you must take a couple of steps out."

That philosophy served well with the transformation from a whaling company to today's structure.

But in some cases Harper Gow and Elliot may have taken a step too far.

"We regularly think 'where do we go from here?'," says Harper Gow. The immediate emphasis will be in building up a budding business servicing the North Sea oil industry.

At present capital employed is £1 million but over the next few years could build up to £10 million. The cold storage company, too, is moving into Europe, building its first store in Northern France.

But in the short-term, profits this year will suffer from the losses of the drill-ship company (now 40 p.c. owned and operat-ing two drill-ships), and a downturn in other divisions. "I anticipate a fall in pre-tax profits, said Harper Gow in his chairman's statement. The profit record is already very uneven with a f5.7 million pre-tax figure becoming f1.7 million in 1974 and f4.7 million in 1975.

A relapse this year may put back the time for a public flotation but the 400 members of the Salvesen clan (none with more than 5 p.c. of the equity) will not worry too much. Nor will the company's biggest shareholder, the Church of Scotland with 20 p.c., left by "Uncle Fred" back in 1935. Today the stake is worth at least £2.7 million.

"It finances half the commit-tees in Edinburgh," says an other than a lot of dashing "It finances ha round whenever there is an tees in Edinbur official ship's visit. But they executive sourly,

# Gerald Elliot

# SOUTH GEORGIA (GRYTVIKEN AND HUSVIK) LEASES.

3)6

1. By Crown Lease dated the 22nd December 1961, 500 acres of land (Grytviken Whaling Station) at the Harbour of Grytviken, Cumberland Bay, South Georgia were leased to Albion Star (South Georgia) Limited for the term of 21 years from the <u>lst July 1960</u>, at an annual rental of £250, payer payable on the ist October in every year provided inter alia that if the yearly rent of £250 shall be unpaid Sixty days after any of the said days the same is made payable (whether lawfully demanded or not) ..... it shall be lawful for Her Majesty, Her Heirs or Successors into and upon the said leased lots or parcels of land, or any part thereof in the name of the whole, to re-enter and the same to have again, retain, repossess and enjoy as in Her and Their first and former estate.

2. By Crown Lease dated the 12th January 1961, 500 acres of land (Husvik Whaling Station) at Husvik Harbour, Stromness Bay, South Georgia were leased to Albion Star (South Georgia) Limited on similar conditions to those in paragraph 1 above, except that the term of years commenced on the <u>lst October 1960</u>. Rental being payable on the lst October in every year.

3. According to the Crown Agents accounts rental has been paid up to the 30th September in each case. This is not correct in the case of Grytviken, and should be up to the 30th June 1976.

4. On the 6th August 1975 the Foreign and Commonwealth Office agreed in principal to the transfer of the leases of Grytviken and Husvik wheling stations from Albion Star (South Georgia) Limited to Christian Slavesen (Managers) Limited, subject to agreement on the terms of the lease. (SG/1/1 - 230).

5. A new lease covering both Grytviken and Husvik whaling stations was drafted by Mr. Frederick G. Cooke, Legal Adviser. (SG/1/1 - 250).

6. The lease was signed by the Acting Governor on the 11th October 1977, scaled with the Public Scal and forwarded to Christian Salvesen (Managers) Limited of Edinburgh, Scotland for completion. (SG/4/1 - 255)At that time it was mistakenly believed that Christian Salvesen (Managers) Limited had been supplied with a copy of the lease in draft form.

7. On the 19th December 1977 Christian Salvesen (Managers) Limited wrote the Chief Secretary complaining that no draft lease had ever been discussed or agreed between the parties and suggested that the new lease should commence on the surrender of the Albion Star leases rather than the 3st October 1977. (SG/4/1 - 257).

8. Messrs. Norton Rose, Botherell & Rocke (Solicitors ?) on behalf of their clients Albion Star (South Georgia) Limited, under cover of a letter of the 14th February 1978 to the Chief Secretary forwarded a draft Agreement for the surrender of the leases and also a draft Surrended deed for consideration.

9. Both documents provided that the Surrender shall include the following provisions -

- (a) "a release by the Landlord of the Tenant from all liability claims and demands in respect of the rent reserved by or any breach of the covenants contained in the Leases under which the Tenant holds or otherwise";
- (b) "that the Tenant's fixtures in or upon the said premises shall not vest in the Landlord upon the execution hereof and that the New tenant to whom the Landlord has agreed to grant a new lease of the said premises shall upon and after the execution of such new lease have such rights in and over the said Tenant's fixtures as if they had been annexed to the said premises after the execution of such new lease".

10. Under paragraph 9(a) above Albion Star would be released from all existing liability or claims including the rents now in arrears. 11. Under paragraph 9(b) above the Tenant's fixtures which include "trade fixtures" such as heavy machinery, engines and boilers, etc. would pass to Salvesen.

12. Trade fixtures are fixtures attached by the Tenant for the purpose of his trade or business and have long been removable by the Tenant at any time during the term, but not after he has ceased to be Tenant and has failed to take a reasonable opportunity of removing them.

13. It appears from the above and in spite of the correspondence concerning stores etc., at Grytviken, that Albion Star and Salvesen intend the Tenant's fixtures to pass to Christian Salvesen (Managers) Limited, the new lessee.

14. As rental is now in arrears in respect of both leases Government could terminate the leases and negotiate a new lease with Christian Salvesen (Managers) Limited. Such an action may invite a claim from Albion Star (South Georgia) Limited for compensation, as in such circumstances they would loose the payment of 235,000 from Salvesen and consequently a further problem would be created in the collection of the 24,546.95 from Albion Star to cover the expenses for the removal and destruction of explosives from Grytviken.

15. I think in order to resolve this problem frank discussions between the parties are called for.

15. Please see the attached paper concerning Grytviken (South Georgia) Stores.

SP. Bernett 22.11.78

(MSG/13/+

### GRYTVIKEN (SOUTH GEORGIA) STORES ETC.

1. On the 24th October 1975 the Chief Secretary wrote to Wm. Brandt and Son Ltd., concerning the purchase of various items of equipment lying at Grytviken, South Georgia, the property of Albion Star (South Georgia) Limited. (Annexure "A").

2. Brandt's Limited witten reply of the 11th November 1975 to the letter referred to in paragraph 4 above. (Annexure "B").

3. The Chief Secretary's reply of the 21st November 1975 to the letter referred to in paragraph 2 above. (Annexure "C").

4. On the 22nd January 1976 the Chief Secretary telegraphed Brandtbank, London, as follows -

"Inspection equipment etc., reveals difficulty identifying all items that are available and in circumstances would you accept blanket offer of one thousand pounds." (SG/12/4 - 9).

5. To which Brandtbank London replied on the 23rd January 1976 as follows -

"Agree accept one thousand pounds for goods listed your letter 24th October (Annexure "A") except milling machine which already sold. (SG/12/4 - 10).

6. On the 3rd February 1976 the Chief Secretary telegraphed Brandtbank London as follows -

"Thanks yours 23rd January. Intend removing purchases Feb/March. If in course of operation we come across other items would you agree removal and if so would you accept a global sum for everything at Grytviken or alternatively if we could agree list later.". (SG/12/4 - 12).

7. On the 5th February 1976 Brendtbank replied as follows -

"Yours 3rd. Agree removal additional items and will accept Global sum for all items". (SG/12/4 - 15).

8. On the 23rd February 1976 the Chief Secretary telegraphed Brendtbank as follows -

"In order to settle this before end financial year consider items we require worth £1,500 but prepared offer £2,000 for everything at Grytviken in case there are other items we could use now or next year." (SG/12/4 - 16).

9. According to the Concise Oxford Dictionary "everything" means "without exception, without any hesitation".

10. Brandtbank replied to paragraph 8 above on the 26th February 1976 as follows -

"Yours 23rd. Accept your offer Founds Sterling 2,000. Regards" (SG/12/4 - 19).

11. On the 9th September 1976 Grindlay Brandts Limited wrote (SG/12/4 -44) to the Chief Secretary complaining that they had heard nothing from him since 3rd February (pars. 6 above) and enquired whether or not the items had been cleared from Grytviken. They also requested the payment of the £2,000.

12. On the 30th September 1976 the Chief Secretary instructed the Crown Agents to pay Grindlay Brandts  $\pounds 2,000$  for the purchase of equipment from Grytviken. (SG/ $\frac{32}{4} - \frac{42}{3}$ ).

13. On the 12th December 1977 Brandtbank telegraphed the Chief Secretary, as follows -

"Reference your letter 24th October 1975 (Annexure "A") and cable dated 3rd February1976 (para. 6 above). In view of impending transfer of leases can you advise us of any additional items removed by you Feb/March 1976 from Grytviken apart from those listed in above letter. Regards". (SG/12/4 - 170).

- Harris

14. On the 3rd February 1978 Brandtbank telegraphed the Chief Secretary as follows -

"Further our cable 12/12/77 (para. 43 above) reference your letter 24/10/75 (Annexure "A") and cable No. 19 3/2/76 (para. 6 above) transfer of leases proceeding but Salvesen requires advice of any additional items removed by you in Feb/March 1976, from Grytviken apart from those listed in above letter. Please confirm you are providing such list or that all items have been removed from the station - JAMES.".

15. This problem is connected with that of the Grytvikon and Husvik leases.

16. Although on the face of the above, Government appears to have a strong case in support of the enforcement of the agreement entered into at paras. 8 and 10 above, I would suggest that the matter be discussed between the parties in the first instance.

17. It is also apparent from the above that Albion Star or their agent and Salvasen have agreed that the Tenant's fixtures, other than those removed by Government, shall pass to the new tenant Christian Salvesen (Managers) Limited.

18. Please see the paper concerning South Georgia (Grytviken and Husvik) Leases.

SP. Bennett 22. 11.18

and the second s

12A. On the 2nd December 1977 Christian Salvesen wrote to His Excellency the Governor as follows -

ON SGIIII

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ANNEXURE



24 October

75

пдн

Rofl PWD/13/4

Wm Brandt & Son Ltd. P.O. Box 95 36 Fenchurch Street London EC3

Dear Sir,

This Government is badly in need of various items of equipment lying at Grytviken, South Georgia, for our Public Works Department, and I is wondering if you would be good enough to advise me, by air mail at an early date, if you woull be prepared to sell the items.

2. I enclose a list of the items we would like to wurchase and look forward to your reply. If agreement is reached on the sale of the items we will arrange for an officer to go to South Georria to supervise the removal of the items to Stanley by British Antarctic Survey vessel this southern summer.

3. I understand some sales have been made at nominal prices and we would wish to take advantage of this if you feel able to extend these terms to Government.

Yours faithfully,

B B Morrison for Chief Secretary

JE I



# BILL OF LADING/CONSIGNMENT NOTE

A STATE OF THE OWNER

Vessel P. R. ANT MISCO

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at the state

Date

No 2

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No.

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ANNEXURE



 REGISTERED IN LONDON. NO. 505042

 TELEPHONE:
 01-626 6599 & 6388

 TELEGRAPHIC:
 BRANDTBANK, LONDONEC3

 TELEX:
 888981 & 886552

DAJ/PES

: PWO/13/4

The Secretariat, - 200 %/ Stanley, Falkland Islands, South Atlantic. P.O. BOX NO. 95 36 FENCHURCH STREET LONDON EC3P 3AS

11th November 1975

7 NOV

For attention of D.R. Morrison Esq.

Dear Sire,

Thankyou for your letter of the 24th October 1975, regarding the possibility of purchasing certain equipment lying at Grytviken, South Georgia.

We are in principal prepared to sell the items which you mention in your list, and would suggest that you make us a blanket offer for all the items.

We would mention, however, that the milling machine has already been purchased and is avaiting removal from the station, and therefore this item is not available for sale.

Awaiting your news,

Yours faithfully, For and on behalf of BRANDTS LTD.,

Authorised Signatory.

A MEMBER OF THE GRINDLAYS BANKING GROUP

Our Ref: PUD/13/4

21st November,

75.

Brandts Ltd., P.O. Box No. 95, 36 Fenchurch Street, London EC3P 3AS.

Dear Sir,

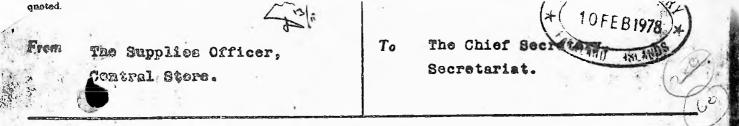
Thank you for your letter DAJ/PES of 11th November about equipment at Grytriken.

2. I note that you are prepared to accept a blanket offer for the items listed and this will be prepared as soon as more detail is known of the actual quantities available. It is not expected that this will be known until the end of the year.

3. Thank you for your co0 \_operation.

Yours faithfully,

(D R Morrison) for <u>CHIEF SECRETARY</u>



# Subject:- STORES EX GRYTVICKEN - DEC 1977

The following is a brief account of my recent visit to South Georgia for the purpose of collecting machinery and stores.

2. I loft Stanley on the 14th Novembor, onboard RRS "John Biscos" accompanied by Messre H. Keenleyside and R. Roberts of P.W.D. and returned on 13th December, 1977, having spont fifteen days working at Grytvicken wholing station where we dismantled machinery, collected stores and loaded same onto "John Biscos."

5. On my arrival at the whaling station, I found that the station had once again been plundered by crew members of visiting foreign chips. Mainly, I was given to understand, by Polish seamen who backed entry into most buildings and left the station in a deplerable state. The Main Store was one of the buildings broken into and left in a ransacked condition. Hr. Date Orchard, the Wintering base leader, informed me that some tweaty foreign chips had used Grytvicken jotty since I was last there in January, 1977. Under these circumstances Government may wish to consider revising the port entry and watering fees levied on visiting foreign chips.

4. I attach lists of items brought back together with my suggestions as to their disperial. Should you be in agreement, I would be grateful for your anthority to distribute them accordingly.

5. The following are come of the 1 tone remaining at Crytwicken that may be useful to Government:

- (a) Three motal working Lathos in apparently good condition.
- (b) Black Emiths mild oteel flats (approx 2 tens), Angle Steel for building construction, and Flat steel sheets of 5/16" & 1" thiskness.
- (c) Electrical Welding Rode mainly heavy gauge 3,25 5 mm. dia.
- (d) Scrap Hotal Heavy Copper stoan tubes (approx 2-3 tons).

6. There are a for Buildings at the station that may be suitable for errecting as hangars for light aircraft, namely:

- (a) <u>Plate Shed</u>. 42' wide x 72' long x 48' walls. Steel framed and clas with corrugated iron.
- (b) <u>Machine Shap.</u> 50° wide x 87° long x 11° walls. Steel framed with correspond iron cladding. Also has wooden 1st floor.
  (c) <u>Freeser Shed.</u> 66° wide x 115' long x 15' walls. Constructed of
- (c) <u>Freeser Shed.</u> 66' wide x 115' long x 15' walls. Constructed of steel uprights with timber beams and roof supports. Covered with corregated iron.

7. During this visit I inspected all of the fuel and whale oil tanks on the station. All were completely empty with the exception of tanks Nos: 29 & 31 standing outside, and a tank housed inside the Pump House. The contents of tanks 29 & 31 was mainly water with approximately 2 - 3 feet of furnace fuel oil floating on the water. The Pump House tank contained 9 feet of Furnace Oil (See attached tank plan of station). I see no problem with regard to pollution at this particular station.

5. To conclude, I would like to mention my appreciation of the way in which the crow of "John Biscoe" helped us collect and load the items brought back, and in particular their assistance given in handling the large lathe and winch.

Su

1. to

ZCZC 294 C/2571/78 110 5 13/11/78 ROUTINE FM CAMBRIDGE HQ TO STANLEY FOR GOVERNOR FM BAWDEN. GRATEFUL TO KNOW IF YOU HAVE ANY OBJECTION TO THE REMOVAL OF WHALING RECORDS FROM LEITH. STROMNESS AND HUSVIK FOR RETENTION IN THE ARCHIVES OF THE SCOTT POLAR RESEARCH INSTITUTE CAMBRIDGE. /AM ZCZC 16.11.78 NR. 031 R 1230Z

FM STANLEY OFFICE TO CAMBRINGE HQ

X/250/78. FOR BAWDEN FROM ACTING GOVERNOR BEGINS YOUR MESSAGE C/2571/78. READILY AGREE REMOVAL OF WHALING RECORDS TO SCOTT INSTITUTE. ENDS

-/MB

SELIL

Reference .....

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RSC

t. I would be justiful if you would look up the South Georgia whaling station leave papers to ise to know what the present position is regardly the looses of Crytylker and Durvik, that is whether Albien Star is in default or phymeet of the rents.

2. If they are, I am not sure if we could reasonable take any action to terminate the lesses. I believe they hav some while yet to run, and Salvesens have been negotiating to take them over. Action on this was about to be completed in October last when Salvesens put something of a pistol at our heads over the question of approved for the sale of plant and material at the stations to an argentime scrap motal morchapt, which I have declined to assist.

3. I would like to get this whole thing cleared up as soon as possible, but before doing so perhaps we could discuss with Mr Bennett.

> Governor 2 April 1979

cc:

COLT 19-77

TT E.

I attach details prepared by Mr. Bennett of the Sounth Georgia Leases. The position regarding the Grytviken and Husvik Leases is that rent is considerably in arrear and Government has power to re-enter. Re-entry would terminate the Lease.

Either with or without re-entry to terminate the Lease, Government may "distrain", or seize, goods on the leased premises on account of rent arrears. This remedy is not as attractive as it might at first seem. Fixtures, trade or otherwise, cannot be seized; nor tools or instruments of trade unless there are otherwise insufficient goods to cover the arrears.

A more attractive remedy is possibly to sue the lessee's for the arrears and in default of payment to obtain judgment, which can be enforced by "execution" or sairing the lessee's goods. In that case, trade fixtures can be taken in execution. Ships, too, can be saized.

On termination of a lease, by re-entry or otherwise, the lessee is himself entitled to remove trade fixtures. A landlord would have to act quickly to seize them by way of "distress" for rent or in execution of a judgment for the arrears.

R.H Verdery

<u>R.S.C.</u> 5th April 1979.



Crown Agents for Oversea Governments and Administrations 4 MILLBANK WESTMINSTER LONDON SW1P 3JD TELEPHONE 01-222 7730 TELEX 916205 TELEGRAMS CROWN LONDON SW1



Dear Sir

SGIII

SOUTH GEORGIA WHALING STATIONS

It would seem from our records that we have received no instructions from you recently in connection with the recovery of rents for Leith, Stromness and Prince Olaf harbours (from Christian Salvesen) and Grytviken and Husvik harbour (from Messrs Brandts Ltd). I shall be grateful therefore if you will let me know at your convenience whether there is any further action which you require Crown Agents to take in this respect.

Yours faithfully

T.M. Ketley

T M Ketley Secretariat

NOTE Action Continued n S.G/1/3 Vol. 2. JEB.c.s.