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SDL/cel

11 June 1990

Ms. S. Bratby  
Circles  
113 Roman Road  
London E2 OHU

Dear Ms. Bratby,

Thank you for your telephone call of 3 p.m. today requesting our assistance with the development of your merger proposals.

In normal circumstances, with an enquiry of this nature, we would arrange for a face-to-face meeting in order to secure additional data from which to prepare a detailed proposal. However, in the circumstances I have prepared an outline proposal for consideration at your meeting tomorrow. Should you wish to take the matter forward the proposal will require development.

Please find detailed below:

- our likely approach;
- our credentials;
- an indication of our professional fees.

**APPROACH**

- To independently review both organisations' current activities re:
  - managements' objectives and strategy;
  - products;
  - pricing;
  - distribution;
  - promotion;
  - procedures and controls;
  - financing;
  - and organisation.

(This will require interviews with management and influencing bodies).

- To develop and agree with management of both operations the manner in which the merger would operate. Specific consideration would be given to:
  - strategy and objectives;
  - merged operations' financial structure;
  - products;
  - distribution;
  - pricing;
  - management control;
  - organisation structure and effectiveness

contd .../

