

(lustrous finish) cloth, the open-end spinning of the wool fibre and a system for making a pseudo type of Axminster carpet whilst, ironically, the still sought after loom for making the increasingly popular genuine Axminster carpet (especially in growing new markets overseas) had been summarily discarded. Notwithstanding the fact that it was being realised that the open-end spinning of the cotton fibre was to have limited commercial applications, on account of the nature of yarn it produced, the design of another machine was started. In parallel, work commenced to develop a machine for an entirely different form of open-end spinning. In this machine, instead of a cupped rotor, a pair of rollers was to be used between which the freed fibres were injected to be twisted by the frictional action of the rollers, it was identified as 'friction spinning'. As time advanced, this project came to absorb more and more of the development resources, particularly as it was the intention to incorporate sophisticated automation equipment in the machine.

A still further factor was contributing to the fast declining fortunes of Platt Saco Lowell Limited. Its markets now having become virtually confined to those countries of the developing world where 'turnkey projects' (contracts to erect and commission complete mills on a 'green-field' site) were in demand – in which the, now inferior, product machinery could be included in the supplies – Platt Saco Lowell, to secure such projects, had been obliged to offer financial terms of low reward and, even then, sometimes, had had to bear the additional costs of the offices of an expensive freelance agent to secure the projects at all. Yet these projects started to be abandoned or never to materialise, as unforeseen difficulties arose in the countries concerned, and the machinery intended for them was left on Platt Saco Lowell's hands. This machinery had to be stored in rented warehouse space, pending the discovery of another customer, and, in the course of time, the machinery involved came to exceed a value of more than twelve million pounds. Moreover, South Korea, a country in which the textile machinery makers had been enjoying a firm and rewarding market, had reached the stage when it wished to manufacture the machinery itself. In a repeat of earlier ventures, stemming from such a wish, Platt Saco Lowell Limited had invested, with a Korean partner, in a company, which was called Samwhan-Platt Limited, located in the hinterland of Pusan, but it had proven hard to get the company into proper production and satisfactory returns were still awaited. Amounting from the combination of these adverse factors it was not to be wondered that in 1979 Platt Saco Lowell Limited made the awful loss of £6 million and in the next year followed this loss with a worse loss of £7 million.

In 1978 Stone-Platt's pre-tax profit had reduced to £9.5 million. As the declining fortunes of Platt Saco Lowell Limited were affecting the

finances of the parent company so too were the less buoyant trading fortunes of some of the companies in the other divisions; the market for marine equipment, especially, was very depressed. In 1979 when the loss incurred by Platt Saco Lowell Limited impacted on the consolidated accounts Stone Platt reported a loss of almost £3 million. In an attempt to minimise the encumbrance posed by Platt Saco Lowell Limited it was decided one of its three works would have to be put to a more rewarding use or, if this was not possible, be closed down and sold off. The prospects for transferring to Hartford Works the manufacturing activities carried out in a Stone factory at Deptford were examined but were found to be impractical and reluctantly Hartford Works was sold to the Oldham Borough Council. This course was announced in the spring of 1980, but the evacuation of the Works dragged on until the turn of the year, partly due to a protest strike which lasted some seven weeks. Thus, a very sad stage had been reached in the life of the Platt creations and Oldham generally, no longer would textile machinery be made within the walls of Hartford Works. Happily, Platt activity was not to end completely in Hartford Works for that part of the building which housed the Platt Power Transmission business was leased back and its operations continued in that part. The disposal of Hartford Works cost the jobs of some 600 people. But the possible loss of their jobs had become a constant feature in the lives of the members of the Platt Saco Lowell workforce. The closure of the Bradley Fold Works, at Bolton and the curtailment of activities at Helmsshore together with regular crops of redundancies at the Globe Works, at Accrington, reduced the workforce of Platt Saco Lowell Limited from the 3 000, or so, at which it had stood, after the main activity at Hartford Works had ceased, to a mere 1 200 at the beginning of 1982.

Stone-Platt Industries Limited had borrowed from thirteen different banks, based in the UK and overseas, moneys which aggregated £30 million and when, in 1979, Stone-Platt incurred the loss of almost £3 million the Banks showed concern. The loans from the various banks had been tied together with 'cross-default' clauses which meant that a default on anyone of the loans automatically triggered defaults on all the loans and the repayment of the entire £30 million became due immediately. In April 1980 it was discovered, as a result of what was accepted as an accidental oversight in the Stone-Platt head office, in London, this dire situation had occurred. Stone-Platt, as an insolvent company, was trading illegally, an offence which immediately attracts the attention of the Official Receiver. The assistance of the Bank of England was needed to rectify the ensuing financial mess. The rectification was duly accomplished but with more stringent impositions on Stone-Platt than previously. The loans were re-scheduled and, along with the overdraft