facilities, were to carry a higher rate of interest and were to be available only until January 1982. Stone-Platt was obliged to raise ready money which it obtained from the sale of the Pump Division and the Marine & Mechanical Division. It was mooted the headquarters building, at 10 Grafton Street, W1, to which, it has been mentioned, the Company moved in 1978, would have to be relinquished, since, to run, this lavishly equipped building had incurred an annual charge of the best part of one million pounds but a decision was left outstanding. In the short period from the April to the mid-summer of 1980 it had become abundantly clear that the actions which had been taken were nowhere near sufficient to extricate Stone-Platt from its troubles; to prepare the two Divisions for sale had, in itself, cost several million pounds. It was evident fresh capital was needed in the Company to restore the debt to equity ratio to realistic proportions. The Bank of England and Stone-Platt's merchant bankers – Hill Samuel – were asked to prepare a sound rescue plan for the Company in which the institutional shareholders had confirmed their willingness to participate. Eventually, in 1980 Stone-Platt lost slightly over £5.5 million.

Stone-Platt's troubles had become more than financial for the City's confidence in the management of the Company had reached a low ebb. The Shares, which not long before had been priced at over 130 pence, had fallen into the teens of pence. Before the scheduled retirement of the Chairman of the Board of Directors (Sir Geoffrey Hawkings) the Banks had, privately, expressed their unease with his designated successor, with the result, at the due time, an alternative new chairman had to be found from outside the ranks of the Company. This new Chairman – Leslie Pincott, most recently, the chairman of the (about to be disbanded) Prices & Incomes Board – took office in November 1980 and immediately set to work to prepare the Company's ground for the implementation of the rescue plan which was expected to be published in the following January. He made changes in the duties of some of the executive directors and others in the upper echelons of the management team and introduced a deputy chairman, who had had no previous connection with the Company, whose brief included a fresh examination of the state of affairs in the Textile Machinery Division. Two executive directors departed, with 'golden handshakes', one of whom had been responsible for the affairs of Platt Saco Lowell Limited and, by definition, the entire Textile Machinery Division. Arrangements were concluded with the thirteen banks which allowed the loans to be confined to just four of their number: Midland (Stone-Platt's principal bankers), National Westminster, Barclay's and Williams & Glyn's.

The rescue plan consisted of an injection of £10 million in new capital by the institutional shareholders and the agreement of the Banks to

increase the loans to £40 million of which £25 million had to be repaid in the five years after grant. The foundation for the rescue plan was Stone-Platt's forecast that it would break-even during 1981. But as that year wore on it became apparent that the forecast would be far from met, losses in the first half of the year had reached three and a half million pounds and the only resort open to Stone-Platt was to sell more of its assets. At the beginning of 1982 negotiations were well advanced to sell the mainstream cotton machinery elements-resting in Platt Saco Lowell Limited, Platt Saco Lowell Corporation, Platt Saco Lowell S.A. and the interest in Samwhan-Platt Limited, to sell and immediately lease back the factory at Crawley, the home of the Electrical Division and to sell the former Scragg factory at Altrincham which by then housed the Barry-Wehmiller operations. The sale of these assets was expected to yield sufficient funds to allow the borrowings to be cut to almost half. Moreover, the institutional shareholders had indicated their willingness to inject still more capital into the Company but the necessary moneys could not be made available until the autumn of 1982. Meanwhile, the debt on the Banks was not lessening and no prospects were showing for this to occur when suddenly the Banks' patiences snapped. On the 11 March 1982 the Chairman of Stone-Platt was summoned to an interview with the general manager of the Midland Bank, which bank was acting as the lead bank for the four banks concerned. He was told unless Stone-Platt could find new capital forthwith the Midland Bank would appoint a receiver. The Chairman of Stone-Platt was quite unable to comply with the Midland Bank's ultimatum. At 10.30 am on Thursday the 18 March 1982 the doors and gates of every Stone-Platt premises were shut, a receiver had taken possession of the affairs of Stone-Platt Industries plc. In such a sad manner did the end come to the company which had evolved from the business created, one hundred and sixty-seven years before, by Henry Platt in Saddleworth.