

be David Powell

RECEIVED 18 MAR 1993

BRITISH FILM INSTITUTE



CELEBRATING THE MOVING IMAGE

Trevor Baker
Property Manager
Sainsburys
Stamford House
Stamford Street
London SE1 9LL

16 March 1993

British Film Institute
21 Stephen Street
London W1P 1PL

Telephone 071-255 1444
Telex 27624 BFILDNG
Fax 071-436 7950

Registered Charity

Dear Mr Baker

GRAND UNION HOUSE

Further to our telephone conversation yesterday evening, I attach copies of the relevant correspondence with Chris Kingsley Smith of Stickley and Kent, as well as records of conversations between him and our architect, Professor Florian Beigel re: our negotiations for the lease of part of the above premises.

As you will see, these negotiations have spanned a period of 4 - 5 months and have been conducted, by your agents, in a manner which has given us positive encouragement to proceed. At no time during this period were we given any indication by Mr Kingsley Smith that there were alternative bids on the table, nor were we encouraged to amend our bid. Indeed, it was not until Professor Beigel, after innumerable unanswered phone calls from him and from me, finally managed to get hold of Kingsley Smith on the morning of 15 March that we were even aware that our bid had been rejected, though you intimated to me that the decision had been made at the Sainsburys' Board meetings of 17 and 24 February.

You will see from the records and the correspondence that we were acting in the belief that the principal commercial terms had been agreed by Sainsburys and that we were proceeding to enter in to agreement to lease. In conversations between Kingsley Smith and myself, I was told that the Sainsburys were agreeable to the capital contribution, to the rent-free period and to the VAT arrangements (which I had undertaken to sort out with our solicitors). Indeed, the only outstanding

The British Film Institute exists to encourage the development of film, television and video in the United Kingdom, and to promote knowledge, understanding and enjoyment of the culture of the moving image. Its activities include the National Film Archive; The National Film Theatre; The London Film Festival; The Museum of the Moving Image; the production and distribution of film and video; funding and support for regional activities; Library and Information Services; Stills, Posters and Design; Research; Publishing and Education; and the monthly Sight and Sound Magazine.

Patron
HRH The Prince of Wales
KG KT GCB

Chairman
Jeremy Thomas

Director
Wilf Stevenson

Assistant Director
Michael Prescott



Recycled Paper



Trevor Baker
16 March 1993

CELEBRATING THE MOVING IMAGE

- 2 -

matter appeared to be the issue of the car park (see my letter to CKS of 12 February). He spoke to me once after receiving that letter - about ten days later - stating that "the Board member who had raised the issue" was on holiday and that he would get back as soon as possible. He failed to ring, despite, as I have said, phone calls from me and Professor Beigel.

With such encouragement and, indeed, urging from Kingsley Smith to ensure that our side was geared up for signature of the contracts etc., we moved into a detailed planning stage and negotiation with the groups which would be the sub-tenants. We applied for planning permission and a public licence for the cinema; we spoke to solicitors about the detail of the lease and the VAT issue; we were at the point when fee proposals were being scrutinised. If we had received adverse signals from Stickley and Kent, if we had been told there were other bids, if we had been told anything of a negative nature, we would not have proceeded in this manner. But no such signals were received, with the result that we have incurred considerable costs to date. I have instructed our solicitor, Nadine Strahl of Nicholson, Graham and Jones, to send you an itemised list of these expenses, and these will reach you shortly.

In addition to the sums expended there is, of course, the matter of the delay that has been caused in our search for premises for the London Film Makers Co-op and London Video Access, both of which are on short-term leases, one of which expires at calendar year end. Believing that we had achieved our objective in identifying suitable premises we ceased our search with the result that these important cultural organisations are now threatened with a cessation of activities, not to mention the loss of a substantial grant from the Foundation of Sport and Arts, secured on the basis of the likelihood of occupation of Grand Union House.

British Film Institute
21 Stephen Street
London W1P 1PL

Telephone 071-255 1444
Telex 27624 BFILDNG
Fax 071-436 7950

Registered Charity

The British Film Institute exists to encourage the development of film, television and video in the United Kingdom, and to promote knowledge, understanding and enjoyment of the culture of the moving image. Its activities include the National Film Archive; The National Film Theatre; The London Film Festival; The Museum of the Moving Image; the production and distribution of film and video; funding and support for regional activities; Library and Information Services; Stills, Posters and Designs; Research; Publishing and Education; and the monthly Sight and Sound Magazine.

Patron
HRH The Prince of Wales
KG KT GCB

Chairman
Jeremy Thomas

Director
Wilf Stevenson

Assistant Director
Michael Prescott



Recycled Paper



Trevor Baker
16 March 1993

- 3 -

Trevor Baker
Property Director

Sainsburys' decision, and the manner in which this process has been managed by your agents, has brought real distress to the potential lease-holder, the London Film and Video Development Agency, to the Co-op and to LVA. I would ask you to scrutinise the documents attached and, with a view to Sainsburys being seen to be fair and openhanded in its dealings, I would ask you to re-examine the BFI's bid and its attendant advantages to Sainsburys in terms of association with key strategic cultural organisations.

I look forward to hearing from you.

Yours sincerely

Irene Whitehead
Head of BFI Planning

cc. Prof. Florian Beigel
Nadine Strahl/NGJ
Wilf Stevenson

My previous conversation yesterday evening, which began in the restaurant overlooking the Thames with Chris Gillingham Smith of Stickley and Kent, as well as the presence of representatives from Sainsburys and the architect's firm Trevor Turner Beigel, for the first time in the area of part of the subject negotiations have spanned a period of several days and have been conducted by your agents. I must have given an indication by Mr Gillingham Smith that there were alternative bids on the table and that we were prepared to accept our bid. Indeed, it was not until Professor Beigel, after an extensive unanswered phone call from him and how we finally reached an agreement with Stickley Smith on the evening of 15 March that we were aware that our bid had been rejected. I am interested to see that the decision was never made at the Sainsburys' Board meeting of 17 and 18 February.

You will see from the records and the correspondence that we were aware of the details that the principal commercial terms had been agreed by Sainsburys and that we were prepared to enter into agreement to lease. In conversation between Gillingham Smith and myself, I was told that the Sainsburys were agreeable to the capital contribution for the rest-take period and to the VAT arrangements which I had undertaken to work out with our accountants. Indeed, the only outstanding

British Film Institute
21 Stephen Street
London W1P 1PL

Telephone 071-255 1444
Telex 27624 BFILDNG
Fax 071-436 7950
Registered Charity

The British Film Institute exists to encourage the development of film, television and video in the United Kingdom, and to promote knowledge, understanding and enjoyment of the culture of the moving image. Its activities include the National Film Archive; The National Film Theatre; The London Film Festival; The Museum of the Moving Image; the production and distribution of film and video; funding and support for regional activities; Library and Information Services; Stills, Posters and Designs; Research; Publishing and Education; and the monthly Sight and Sound Magazine.

Patron
HRH The Prince of Wales
KG KT GCB

Chairman
Jeremy Thomas

Director
Wilf Stevenson

Assistant Director
Michael Prescott

