

UNITED STATES DEPARTMENT OF JUSTICE  
Washington, D.C. 20530

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DEPARTMENT OF JUSTICE

EXHIBIT B

JAN 8 1 09 PM '80

TO REGISTRATION STATEMENT  
Under the Foreign Agents Registration Act  
of 1938, as amended

REGISTRATION UNIT  
INTERNAL SECURITY  
SECTION  
CRIMINAL DIVISION

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
GRAYDON ASSOCIATES, INC.	WARRINGTON NEW TOWN DEVELOPMENT CORP.

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Our contract with Warrington New Town Development Corp. is for the purpose of aiding the town of Warrington to attract new American companies to establish marketing, research or manufacturing facilities there. The methods we use include advertising, direct mail with brochures to a selected list of American companies, and sales trips with Warrington personnel to visit prospects.


5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

The only means we have to aid Warrington New Town is through direct mailing of brochures to selected lists of American companies. Based on recipient interest make telephone calls to recipients to determine interest in building factories in Warrington, and then arrange selling trips around US with personnel from Warrington to visit these companies.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act? <sup>1/</sup> Yes  No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

NOT APPLICABLE

Date of Exhibit B	Name and Title	Signature
March 23, 1979	Robert J. Graydon President	

<sup>1/</sup> Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

March 23, 1979

Mr. D. J. Binns  
General Manager  
Warrington New Town Development Corporation  
P. O. Box 49 - New Town House  
Buttermarket Street  
Warrington WA1 2LF  
England

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Dear David:

We all seemed to have agreed that the simplest way to define Graydon Associates' responsibilities to the Warrington New Town Development Corporation is by a letter-contract, and I'm proposing that we regard this letter as such a contract. It follows the form that we've used in the past, and utilizes some of that same terminology.

It should be noted that GAI is not being employed by WNTDC primarily as "consultants". The classic role of a consultant organization is to proffer advice based on analysis of the client's situation with respect to his marketplace. Our role goes beyond that, and well into the actual implementation of such advice. In this capacity the term "U.S. Sales Organization" or "American Agent" better defines the role of GAI, than consultant. We will be actively engaged in initiating and following up sales contacts on behalf of WNTDC.

We are agreeing, then, on the following:

1. The sales goals which form Appendix A of this letter contract, define specific objectives to be achieved by Graydon Associates by March 31, 1980.
2. Appendix B defines a marketing and sales program as agreed upon in discussions with Derek Thompson, Peter Crompton, and Eric Hollington and their staffs.
3. Appendix C defines the likely ranges of cost elements in the budget.
4. The period of this letter-contract shall be from March 31, 1979 through March 31, 1980.

Mr. D. J. Binns  
March 23, 1979  
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5. The fee for the time only of Graydon Associates personnel shall be \$6,600 per month, with expenses such as, but not limited to, telephone and telex, mailings, production costs for brochures and ads, ad space, travel, and expenses associated with travel, to be billed to Warrington.

Before committing Warrington to any major costs other than normal moderate expenses, GAI will be given prior approval by Warrington. Invoices will be submitted monthly to Warrington, and cable payment tendered by Warrington within ten (10) days of receipt. Cable transfer charges will be for the account of GAI.

6. There shall be Quarterly Reviews by WNTDC and GAI to evaluate sales progress in the U.S. and to continually refine our programs as necessary to achieve our sales goals. The venues for these Reviews shall be Warrington and Red Bank and alternate between the two sites.
7. GAI shall be acting in the capacity of a professional U.S. sales and promotional organization for Warrington. GAI shall not be considered a formal agent of Warrington, nor has any authority to make commitments on behalf of Warrington other than arranging U.S. itineraries for Warrington personnel, and in distributing information with respect to facilities and incentives available at Warrington.

The year 1978/79 was the first year we established definite Quarterly Reviews alternating between Warrington and Red Bank. It seems to be working very well now and we look forward to a continuation of these Reviews in the 1979/80 period to help all of us keep accurate track of the progress we're making in meeting the job goals for WNTDC.

With best regards,

GRAYDON ASSOCIATES, INC.

  
R. J. Graydon  
President

RJG/II

Enclosures: Appendices A, B & C

Concurrence by Warrington New Town Development Corporation

  
Date: March 28 1979.

APPENDIX A

PERFORMANCE OF U.S. MARKETING PROGRAMME

The goals are set on a quarterly basis beginning 1st April, 1979.

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
NEW LEADS	6	6	6	6	24
LARGE CORPORATIONS	2	3	2	3	10
NEW JOBS	0	60	160	80	300

NEW LEADS

The definition of a new lead from the U.S.A. is as follows :-

- (a) the contact has at least responsibility for recommending the location if not direct, or delegated authority to take the decision.
- (b) the business activity for the project is identified.
- (c) the time scale, at least for information gathering, if not decision taking, is identified.
- (d) the scale of activity in terms of floorspace and jobs, and the type of facility required, i.e. advance unit or ground lease, is known.
- (e) the contact has expressed a willingness to consider Warrington New Town if not an immediate commitment to visit Warrington.

## LARGE CORPORATIONS

Some corporations, by virtue of their size and growth, are seeking new premises on a regular basis. It makes a great deal of sense to establish contacts at senior management levels in such companies, anticipating requirements for specific projects.

## NEW JOBS

These are defined in the Business Development Plan. They will be measured by surveying new tenants as soon as agreements have been signed.

APPENDIX B

MARKETING AND SALES PROGRAMME RELATED TO THE ACHIEVEMENT  
OF SALES GOALS 1979-80 AND THE GENERATION OF LEADS FOR  
CONVERSION IN 1981/82 AND IN SUBSEQUENT YEARS

A MAILING PROGRAMME

	<u>Date of Mailing</u>
1. Fortune 1000 4th Annual	May 1979
2. Distribution Companies under \$60M/year, Consumer and Industrial Distribution Companies. (in depth). 4th Annual.	October 1979 (likely to be two mailings)
3. Distribution Managers 2nd Annual.	September 1979
4. Technology 300 4th Annual overlap	) ) )
5. Technology 1300 4th Annual	) ) ) July 1979 or later in 2nd quarter
6. Small Technology 3rd Annual .	) )
7. International VP's 4th Annual	February 1980
8. Canadian Companies 3rd Annual	January 1980
9. Corporate Real Estate Officers	Dates to be agreed.

B Qualification of leads generated by mailing programme (or from any other source) firstly by telephone call and subsequently, if appropriate, by personal visits.

C Quarterly reviews by GAI/WNT for regular evaluation of performance against objectives and targets.

D The proposed programme is :-

Wall Street Journal (National Edition)

BACC Yearbook

Area Development

American Industrial Property Review

Society of Physical Distribution

Society Management Journal

E SALES VISITS

There will be four approximately 3 week long visits to the U.S.A. during the year by Sales personnel. These are a critical and essential part of the programme, linking the unearthing of leads and qualification of the scale and timing of investment to the detailed negotiations which must be conducted by WNT personnel.

The proposed schedule is :-

1st

2nd 8th - 29th September, 1979.

3rd 24th November - 15th December, 1979.

4th 23rd February - 15th March, 1980.

F QUARTERLY REVIEW TRIPS

Two trips to WNT per year by GAI (RJG/DMB) and two to Red Bank by WNT personnel. The purpose of these trips is only to have a comprehensive review of sales progress against targets. In the U.S.A., for example, the WNT personnel are anticipated to stay for only several days during the review and no sales calls will be made. Obviously, if a call of over-riding importance must be made, it will, but that is not the purpose of these particular meetings.



The proposed schedule is :-

1st		Red Bank
2nd	1st - 3rd October, 1979	Warrington
3rd	15th - 18th December, 1979	Red Bank
4th	24th - 26th March, 1980	Warrington

G ADDITIONAL ACTIVITIES BY WARRINGTON PERSONNEL

The schedule includes a visit by Mr. D. J. Binns between the following dates :-

5th - 18th May, 1979

the purpose of the trip being attendance at IDRC and meetings with the Consulate General Offices throughout the U.S.A.

In addition an itinerary will be augmented with visits to one or two key sales prospects.

In order to familiarise the marketing personnel with the activities in the U.S.A. there will be a one week visit by the Marketing Manager or Product Manager. This visit is proposed for the Fall.

In addition there may possibly be a visit by Mr. D. S. Thompson in the Fall.