

MINUTES

MINUTES NOT TO BE WRITTEN
ON THIS SIDE.

facilities to Cable Corp
in the (Paris, but that
if this permission were
granted to the Cable
Corp it wd. be subject to
approval to grant
it also to Marconi.

But Marconi press that
the proposal to grant
this permission to the
Cable Corp shd. be
deferred pending
completion of the Marconi
offer - see ltr/12052723
& ltr/12302723 (in
Marconi file).

And in ltr. to today. (copy)
para 3 - sent in ltr
on 10/22/23 (in Marconi
file) we said that B.S. Ry.
should not fail to
arrive at any provisional
agreement with the
Cable Corp & that B.S. Ry.
proposed that, in the
aid negotiations with
the Corp shd. not be
pursued at present.

I suppose we shall not,
in the aid, get
much backing
from the B.S. Ry. -

You may wish to refer this
to one of the legal advisors
not subject to me.
I think we shd.
proceed - if you can
call it proceeding:-
as follows:-

(1) If Cable Corp agree
to 1927/28 that B.S. Ry.
should have right of
first refusal in the
event of any agreement
being arrived at
between the Company
themselves on the
question of a license
for dealing direct with the
public in the
U.S. [& then wait
see whether (if any).

(2) Ask this letter
to send B.S. Ry. for copy
a copy of letter in (1) -
so that he could be
kept up to date of any
thing that may
take place in the
matter.

(1) send to D.A.G. by way of (copy)
copy of 772506/23 & letter
in (1) ref. n721321/23.

2. send to G.P.O. by way of short DT
of ref. n 771732/23

~ copy 18334/23 copy

772132/23 & Co. letter

to Gray & Fitzgerald (with
copy) - 772506/23

& letter in (1) - say

that a public commi-
sioner from Co. of Spt.

will give? consult

to D.A.G.

W.S.

23.5.23

This is I think a wise suggestion.
G.P.O. of course are right, but the
conclusion of an agreement with the
Council might indeed affect the
terms on which we could secure a
careless service. We must mark
them well be get the D.A.G.'s views
on the wireless ~~the~~ proposal.
As proposed (W.S. 23.5.23)

at once

H. J. C. H.

(3) sent to O.A.G. for info & conf.
copy of 7/2508/23 with
in (1) of n/21321/23.

21 sent to O.A.G. for info. show up
of n/ 7/1732/23

a copy 18334/23 copy

of 7/21321/23 & C.O. with

copy to Fitzgerald (with
encl) - 7/2508/23

to W.M. n/ (1) - copy

that is public comm.
should be for O.A.G.

with JWC? consult

to O.A.G.

out

23.5.23

There is I think a wise caution
G.P.O. of course are right, but the
conclusion of an agreement with the
State might badly affect the
Council which he could secure a
useless service. We must mark

time will be put to O.A.G.'s views
on the wireless ~~the~~ proposal.

As proposed (L.S. 23.5.23)

at once

H. S. C.

C O
25062CONFIDENTIAL

ST. HELENS,

RE

Leeson Park,

R 18 MAY 23

Dublin.

17th May, 1923.

The Under Secretary of State,

Colonial Office,

LONDON. S.W.1.

Sir,

I have the honour to acknowledge receipt of your letter (confidential) no. 21321/1923 dated the 11th instant, with its enclosures, relative to the claim of the Eastern and South African Telegraph Company, to deal direct with the public on Mombasa Island, and the offer of the Marconi Company to erect a high power wireless station in Kenya.

I have written to the Cable Company in terms of para 2 of your letter, and in regard to para 3 I would like to observe that, while the literal terms of the 1907 arrangement on which the Company ^{base} ~~base~~ its claim appear to sanction direct dealing between the public and the Company, it has to be remembered that the sanction was not accorded as the result of any application or claim made by the Company, nor was the question of the grant of the license, necessary under the Colony's Telegraph Act to regularise such dealing, discussed. At that time the Company's direct dealings with the public were in practical effect limited to one firm only, viz., Messrs. Smith Mackenzie whose premises are adjacent to the Cable Station, and it is quite clear I think, from the following extracts from a memorandum prepared by Mr. Gosling in 1919 dealing with this subject that the references in the 1907 arrangement to telegrams accepted and delivered by the Company were meant to refer only to the special relations between the Company and Messrs. Smith Mackenzie. These relations were

"for public popularity. It would have been far easier for me to have allowed the Company's claim on demand and I do not think that anyone would have reproached me for so doing. The course I am taking is dictated by my knowledge, born of long experience, of the value and importance of the issues at stake."

It is evident that Mr. Gosling had always well before his mind the importance of retaining for the State the practical monopoly of direct dealing with the public.

I therefore see in the 1907 arrangement nothing to alter my view that the Cable Company has no legal or moral right to the grant of a license.

The enquiry by the Marconi Company shows that the establishment of a competitive service is not the remote possibility it was even some little time ago, and the value of the right to deal with the public has consequently been greatly enhanced.

I have the honour to be, Sir,

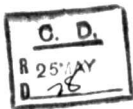
Your obedient Servant,

J. Gosling

F. 25062/23 Kenya

419

Confidential



DRAFT.

Ind

29 May 1923.

Fitzgerald Esq.

Sir,

I am etc to act the recd

MINUTE.

Mr. Brett May 24

Mr. Markinson

Mr.

Mr. Davis.

Sir G. Grindle.

Sir H. Read.

Sir J. Masterton Smith.

Mr. Ormsby-Gore.

Duke of Devonshire.

of your letter of the 17th of

May, relative to the claims

of the Eastern & South

African Telegraph Company

Limited, to deal direct

with the public on Zanzibar

Islands, & to transmit to

Edgely.

Erst Tel Co 29 May
(Companion draft)

F 25062/23 Kenya

420

DRAFT.

Amount Ind
9372
14 sh.

29 May 1923.

ie Secy,

S.P.O.

With ref to the letter from

MINUTE.

this Dept, No 17328/23, of the

Mr. Brett May 24

Mr. Parkin ~~off~~

Mr.

Mr. Davis.

Sir G. Grindle.

Sir H. Read.

Sir J. Masterton Smith.

Mr. Ormsby-Gore.

Duty of Devonshire.

No. 18332/23 K.

12th of April, & your letter,

No 107766/23, of the same

date, I am to transmit

to you, to be laid before

the P.M.F., a copy of corr^{ce}

with Mr. J. Fitzgerald, ^(not to be interfered)

2 Kenya, & the Eastern & African

Recd 27th Apr
21321
11 June 18 May ✓
(with all encl)
Mr. Fitzgerald 17 May ✓
E. J. G. 17 May ✓
25062 (Completion in drafts)
4dfb

Insd
and E/29580

SB

DRAFT.

29 May 1923.

Eastern & South African
Telegraph Company Limited, Agents,

MINUTE.

with further ref. to

- Mr. Brett May 29
- Mr. Parkinson
- Mr.
- Mr. Davis.
- Sir G. Grindle.
- Sir H. Read.
- Sir J. Masterton Smith.
- Mr. Ormsby-Gore.
- Duke of Devonshire.

29
31
copy to Mr. Fitzgibbon
for copy

your letter of the 29th of Sept
1922 (FS/266). I am re
state that Mr Fitzgibbon,
Postmaster General of Kenya,
has ^{now} ^{reported} ~~informed~~ this Dept

that there is no prospect
of any agreement being
arrived at between the

Bd/10/11

for and himself
in question of - license
of the ... with
/ ... in ...
and

...
...

Company and himself
on the question of a licence
for dealing direct with
the public in Nombasa
Island.

Jrc

(Signed) H. J. READ