

[1] Q: Who?

[2] A: Presumably AT&T thought it.

[3] Q: But AT&T was a different scheme. Your own colleague is

[4] telling your immediate inferior - your immediate

[5] colleague beneath you - that it would be perceived as

[6] no different from competitor offerings. Who?

[7] A: Well, within Shell in the discussions, there were quite

[8] a lot of people involved and they felt - we felt that,

[9] if it were possible to achieve that position, we would

[10] have done something different. Personally, I am not

[11] convinced that the ingredients in it - the

[12] ideas - were particularly different, except to the

[13] extent that Smart Cards allowed us to collect the

[14] currency in a different way.

[15] Q: One thing we are agreed about is nobody else had done

[16] it?

[17] A: I agree with that.

[18] Q: You cannot help me with who had come up with the idea

[19] previously. I have asked you twice. I take it that is

[20] the final answer, is it?

[21] A: I keep answering you: I do not know whether there was

[22] one specific blinding flash of inspiration by someone at

[23] some point. I do not think that is how it happened. My

[24] own view and my own involvement was this thing grew up

[25] through a whole series of discussions, conversations and

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[1] ideas: "Try that. That does not work. Try something

[2] else", until in the end, some time I presume about

[3] mid-1993, we decided what it was we would actually

[4] implement. In my opinion, it was the decision to

[5] implement and actually to go for this thing which was

[6] the new thing. That is my opinion.

[7] Q: I appreciate that is what you say. I quite understand

[8] that. But, of course, you inherited, as it were, when

[9] you arrived, other people's already formed ideas, in the

[10] sense they were already working on these things, were

[11] they not?

[12] A: Yes.

[13] Q: Yes. So they had already reached certain conclusions or

[14] had certain ideas and where they got them from, I do not

[15] suppose you would be aware?

[16] A: No.

[17] Q: No. You did say "no"?

[18] A: Yes, I said I do not know. I do not know how far back

[19] these ideas had in fact been developed. All I know is

[20] what I knew from when I came along.

[21] Q: AT&T, if we can come back to that, since you mention it,

[22] AT&T - you are not able to help me about the tender,

[23] but AT&T were rejected and GHA and Senior King were

[24] chosen at this point. Do you remember that?

[25] A: No.

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[1] Q: Do you remember how Option 1 came to be involved in this

[2] project?

[3] (10.30 am)

[4] A: From my point of view, I cannot remember whether it was

[5] Andrew or David or both suggested that they did.

[6] Q: Do you remember about when that was?

[7] A: Early 1993, I would guess.

[8] Q: How was it that they came to suggest to you, as you

[9] understood it, Option 1? Why Option 1?

[10] A: I do not understand.

[11] Q: Why did they choose Option -

[12] A: They came to me to say they thought we should use

[13] Option 1 and I think it was at the same time as we were

[14] going to do some market research - I cannot remember -

[15] and I said "Right, sounds fine but make sure you keep on

[16] top of it". I do not remember - I was not involved

[17] before that in decisions about - discussions about

[18] these other characters and why they might not have been

[19] up to the job and why Option 1 might have been.

[20] Q: So you did not appreciate that in fact they had written

[21] to two other people just a few weeks before saying "you

[22] are chosen" and then had effectively simply abandoned

[23] them and gone for Option 1?

[24] A: I do not recall.

[25] Q: Were you told that?

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[1] A: I cannot remember.

[2] Q: If you had been told about it, what would you have

[3] thought about?

[4] A: I think I would have asked what the circumstances were

[5] and whether it had been managed correctly. But, as I do

[6] not recall this, it is a bit hypothetical.

[7] Q: It may not be, if it were kept from you, I am trying to

[8] get at whether it was. You have told me you are not

[9] able to help, and possibly did not know, that there was

[10] a pitch by about 14 companies for the Project Onyx

[11] scheme?

[12] A: I do not remember that.

[13] Q: You do not remember?

[14] A: No.

[15] Q: You are not able to help me about then it was reduced to

[16] six, as we have been reading this document now?

[17] A: No.

[18] Q: No?

[19] A: No.

[20] Q: And you are not able to help me that then Mr Lazenby

[21] wrote to two of them: Senior King, whose name I imagine

[22] you are familiar with?

[23] A: I know the name. That is one of the names I know from

[24] this list.

[25] Q: And GHA were chosen about late October 1992. You cannot

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[1] help me about that?  
 [2] A: No.  
 [3] Q: Then they were simply allowed to drift and Option 1 were  
 [4] instead chosen in early January 1993. You cannot help  
 [5] me about that?  
 [6] A: You are saying they were allowed to drift. I did not  
 [7] say that. As I have said several times, I was not  
 [8] involved in this process.  
 [9] Q: All you knew was that you were being asked to approve  
 [10] Option 1?  
 [11] A: Yes.  
 [12] Q: Tell me, Mr Leggatt, if somebody enters a pitch, a  
 [13] tender process, and is rejected, would you think it  
 [14] proper not to inform them that they had been rejected,  
 [15] but to allow them to carry out significant further work  
 [16] without being told?  
 [17] A: Would I think that were proper?  
 [18] Q: Yes.  
 [19] A: No.  
 [20] Q: It is not proper, is it, to effectively deceive other  
 [21] potential contractors who have entered a tender and not  
 [22] tell them that you have actually rejected them, but then  
 [23] gone on to require from them further work, knowing all  
 [24] along you have rejected them? That is just not proper,  
 [25] is it?

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[1] and I think there were two things going on at that time,  
 [2] one of which was to do some market research and the  
 [3] other was to appoint Option 1. I said "Right, but keep  
 [4] on top of it". But I am not quite sure what all this  
 [5] has to do with the fact that I was not involved and do  
 [6] not recollect very much about this other process that  
 [7] had already been going on.  
 [8] Q: It is in the nature of litigation that sometimes a  
 [9] witness does not appreciate what issues things may go  
 [10] to. But can you just accept from me for the moment that  
 [11] it is important and does have a reference? Let us just  
 [12] focus on it for a moment. You were asked to approve  
 [13] Option 1. We know that.  
 [14] A: Yes.  
 [15] Q: This tender process was the direct predecessors of  
 [16] Option 1. They were tendering effectively for the same  
 [17] project to do the same thing. Now, you were not aware  
 [18] of that. Surely, if you were asked to approve Option 1,  
 [19] you should have been kept abreast of this tender  
 [20] process?  
 [21] A: I do not recall having been kept abreast.  
 [22] Q: Just have a look for example in volume 3/1253. The file  
 [23] you have there. Just an example. 3rd September 1992,  
 [24] Mr Lazenby writes to Mr Leibert of McCorquodale:  
 [25] "Dear Alan, further to the discussions ..."

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[1] A: No, it is not proper. But I am not quite sure what it  
 [2] has to do with this.  
 [3] Q: You were not aware of any of this tendering or selection  
 [4] process, were you?  
 [5] A: I do not recall it.  
 [6] Q: Would you have expected to be kept informed of these  
 [7] details?  
 [8] A: Not particularly, no.  
 [9] Q: So if 14 companies came in, including McCorquodale -  
 [10] not a small company - AT&T and others, and there is a  
 [11] tender process going down from 14 to six to two, you  
 [12] would not have expected to be kept abreast of it?  
 [13] A: Even if I had been in the job for a long time, it  
 [14] depends a bit on what the level of expenditure was  
 [15] likely to have been. I just do not know. But if this  
 [16] was - I cannot remember - say for £50,000, I do not  
 [17] know, then it is perfectly possible, under the delegated  
 [18] system of authorities in a company like Shell, for the  
 [19] whole process to have been managed by a manager with  
 [20] that level of authority.  
 [21] Q: Just think about it for a moment. Because that is  
 [22] perfectly theoretically possible, I agree, but you were  
 [23] in fact asked to approve Option 1, were you not?  
 [24] A: I have said my involvement in this - to my recollection  
 [25] at any rate - was that, in early 1993, I was asked -

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[1] You may just be about to arrive then, I suppose?  
 [2] A: Yes, I do not think I was there then.  
 [3] Q: Right. We will see what happens:  
 [4] "Further to the discussions that we have had in  
 [5] the recent past regarding Operation Onyx, we are now  
 [6] moving to a more investigative phase. We have come up  
 [7] with a rough idea of our requirements. We would like  
 [8] to discuss our requirements with you formally to  
 [9] identify a supplier or agency. I confirm the meeting we  
 [10] have arranged on 15th September from 10.30 to 12 am,  
 [11] summarising and going through the letter, where we can  
 [12] brief you on our perceived requirements."  
 [13] This is the beginning, you see, of the tender  
 [14] process that I want you to have a look at with me:  
 [15] "We do not expect any input from you. We will  
 [16] arrange a formal session three weeks after the briefing  
 [17] where you will be able to present your proposals. Tim  
 [18] and I will of course be available during those three  
 [19] weeks for clarification. Please do not approach any  
 [20] third party promoters. Our policy is to deal directly  
 [21] with these partner promoters. If you need any  
 [22] information on partners, then please speak to me."  
 [23] Then there is an enjoinder for confidentiality:  
 [24] "I enclose a confidentiality document which  
 [25] I would like you to work within. If you cannot

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