

# SEALINK

Sten Olsson, the 75 year old founder of Swedish shipping giant Stena, and his 44 year old son Dan, the company's chairman, have got that sinking feeling. In 1989 they were set to take over Sealink, which would have made their company the world's biggest ferry operator. But now, eighteen months later and after the City's longest ever takeover battle, the father and son team have become the proud owners of a loss-making business which could be totally wiped out by the Channel Tunnel.

Sealink has over 50% of the British Ferry market, but the Tunnel, which opens in 1994, will take half that traffic, and P&O is determined to take the other half. Sealink already plans to cut its workforce by 25% by the end of December, close its Folkestone to Boulogne route, and change working practices in a desperate attempt to break even after losses of £30 million last year. But further rationalisation will not be easy and will



be fiercely opposed by the officers' union, Numast. Earlier this month, after some tough negotiating, the Rail, Maritime & Transport Workers' Union agreed to 1,200 redundancies. A further 300 are planned.