

RESTRICTED

PRODUCT DEVELOPMENT STEERING GROUP

Minutes of the meeting held on Tuesday, 19th July, 1968, at London.

- Present: Mr. H.J.W. Rose
 Mr. A. Cousins
 Mr. S. Keefe
 Mr. G. Ward
 Mr. G. Marsh
 Mr. G. Jones
 Mr. T. Cliff

AGENDA

1. MINUTE REVIEW FROM PREVIOUS MEETING

(1) Product Development (Product Innovation)

- (a) PPID often have developed a number of promising but neglected concepts for future product development. Meetings with RD will be arranged for early September to identify concepts for which development is possible with these neglected concepts.
- (b) Mr. Keefe as of June 20th was requested to visit RD on 21/06 to check on product innovation files.
- (c) A number of papers product related patent publications will be presented at the November meeting.
- (d) Where feasible, National Marketing leaders meetings will have RD input on product innovation, commencing with the European meeting in London.

RD/WT

ALP

ALP/WT

(2) New Process Developments

- (a) PPID Project BARK - evaluation of the effects of WF on product quality (physical and sensory) has commenced in RD and the P.C.S.A. will be kept informed of the progress.
- (b) It is known that process conditions can have a significant effect on smoking quality of a product. Discussions will be held with RD to set up a project with the objective of identifying process conditions to optimize smoking quality.

RD

RD/WT

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ACTION:

2. PRODUCT RANGE

(i) Product 1000 (Evaluation of International Brands)

Product 1000, with nicotine tar 10% and 1.0mg nicotine, is in preparation and will be issued shortly. It is expected that the results on the remaining "1000" will be issued in a summarized form by October.

(ii) Product 2000 (Low-tar for Full-flavour smokers)

The objective of a low tar and 1.0mg nicotine product is to provide a slight improvement in nicotine reduction and a closer target to the target tar and nicotine. It is held with Leaf Department and will be available at the final product by [unclear].

(iii) Product 3000 (Low-tar, full flavour, 1.0mg nicotine)

The objective of the 3000 is to provide a product with a tar and nicotine content of 10% and 1.0mg nicotine.

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(iv) Product 4000 (Caste Utilization)

In order for an extender has been placed by Imperial Tobacco, Canada. Consumer trials in [unclear] using 4000 [unclear] at [unclear] are under discussion and are expected to take place during [unclear]. To offer a further option to [unclear] Canadian, trials on presentation "sliced and [unclear]" 4000 are expected to be out [unclear] and scheduled for [unclear].

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ACTION:

Thus, the technical development on this process will be completed by the end of the third quarter of this year. However, the P.S.S.G. had grave concerns that the implementation/commercialisation of this process will falter since no single company has been identified as willing to be the first to implement the process. To build confidence for BATCo, and to gain production experience, it is vital that a company be identified, taking into account the potential market-risk, market sensitivity, rate of return, absolute level of return and credibility of the company within BATCo, for the results produced. These points must be received with TTS, Millbank, acting through the appropriate Territorial Director.

RS

Extensions of DFR technology to gain product benefits (as opposed to cost savings alone) has commenced. Initial samples based on addition of methol and addition of castings material show promise. A new set of projects based on these will be presented at the next meeting.

TS

- (v) Project LITE (Lowest measurable sidestream for existing products without sacrificing mainstream smoke quality)

Up to 35% reduction in measured sidestream can be achieved in a product like 30H SF via weight reduction (up to 40% ST) and low permeability paper (e.g. J.C.U., old BAT 210 paper). Using 30H SF as a target product, a blend development programme will now be progressed to ensure that the current smoking quality can be maintained.

There are signs of considerable competitive activities in development of low sidestream products in response to TTS.

Sidestream reduction of up to 55% can be achieved if the Ecusta paper is used. It was agreed that using 30H Ultra-Mild, France (Project SUSPENSE - BAT (JK2E)) as control, a new product will be developed using these papers and consumer tested in France to ensure that 'normal' product performance is maintained. It was recommended that uniformity/continuity of supply of the new paper be discussed with Ecusta and product development experiences be exchanged with Imperial Tobacco, Canada, who are also developing a product with these styles of paper. A product development brief showing key mainstream and sidestream target deliveries is now needed.

RS/TH

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ACTION:

- (1) Product 1012 (Product with 1.0mg nicotine and lowest possible tar level with acceptable smoking quality)

The amount of tar and nicotine had been analysed and is underpinning final product development. The project will be completed in the last quarter of 1999 and funds available for specific market development.

Product 1013

(Product with 1.0mg nicotine and lowest possible tar level with acceptable smoking quality)

The amount of tar and nicotine had been analysed and is underpinning final product development. The project will be completed in the last quarter of 1999 and funds available for specific market development.

Product 1014

The amount of tar and nicotine had been analysed and is underpinning final product development. The project will be completed in the last quarter of 1999 and funds available for specific market development.

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G. G. G. G.

Product 1012
 Product 1013
 Product 1014
 Product 1015

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