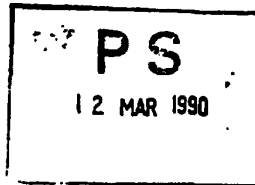


To: Mr. P. Sheehy



Tobacco Research/Technology

You asked me to consider whether the Tobacco Strategy Review Team ought to discuss Research and Technology either at the next meeting in May or at the following meeting which is likely to be held in September.

The Group Research programme is already due to be discussed in November following the Research Conference which is held in September/October.

If you wished the Tobacco Strategy Review Team to provide more positive guidance to the Research conference on the priorities to be pursued, one way of achieving this would be to have a discussion on these priorities at the September meeting.

As background to this discussion, you could ask for a paper or papers asking for Mr. Heard and possibly a manufacturing director (e.g. Earl Kornhorst or Norman Davis) to present papers reviewing the current status of the Group's technology relative to main competitors and making specific recommendations for priorities for action to capitalise on identified strengths or to overcome identified weaknesses, bearing in mind the ultimate objectives to at least match the quality of competitive products and to be the lowest cost producer.

Could I see you about this please?

RS
YES
Salter

Roy Salter

R. Salter

RS/DJA
12th March 1990

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