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Priorities for R&D

36. Mr. Mercier reported the results of the meeting which he had chaired, the object of which was to obtain the views of the Group's marketing directors on specific product developments which they believed should be given a high priority within R&D.
37. It was noted that:-
- (a) The marketing directors believed that the highest priority should be projects aimed at understanding the chemo-sensory basis for matching taste and for developing products which consumers considered to be superior to Marlboro. Associated work to understand smokers' behaviour and to develop improved methods/techniques for blind tests was also considered to be valuable as was work to reduce bitterness and irritation.
 - (b) It was also agreed that it was important to develop cigarettes with reduced tar:nicotine ratios to prepare for expected trends in regulatory regimes and in consumer tastes.
 - (c) There was less market interest in developments leading to cigarettes with a reduced ignition potential, reduced sidestream smoke and 'environmental friendly' characteristics. However, there was general agreement that biodegradable filters would be a worthwhile development.
 - (d) There was virtually no marketing interest in 'novel' cigarettes or in alternative materials and structures.
38. It was agreed that the marketing directors had provided a useful input to the discussion of the research programme but the Chairman stressed that the Team also needed to take a broader and longer term view of research priorities.
39. In particular, he believed that although low ignition cigarettes were recognised as being important in only two countries at present, recognition of this requirement could spread to other countries in the future and it was important to be prepared to react to this.
40. Similarly, although low levels of sidestream smoke are not seen as a positive marketing feature, it was necessary to keep up with developments by other manufacturers and to keep ahead of public opinion. He suggested that there should be an objective to reduce sidestream smoke by quantified amounts over time. It was asked that there should be a progress report on this topic early in 1991.
41. It was noted that following the R&D conference, Mr. Heard would present his proposals for the Research Programme at the next meeting of the Team, due to be held in November.
42. The Chairman asked Team members to consider before the next meeting:-
- (a) The value of the marketing conference in providing an input to the R&D programme.
 - (b) The effectiveness of the current arrangements for technical liaison within the Group and possible ways in which these might be modified to improve the interchange of information and to reduce wasteful duplication of work.
43. It was noted that the marketing directors had suggested that they should have further meetings to discuss marketing strategy. but it was felt that strategy was the responsibility of the Team itself rather than the marketing directors. However, it was agreed that there could be a case for organising meetings to discuss marketing techniques and to share experience on sponsorship, etc.

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