

SUMMARY OF MEETING TO DISCUSS

INTER-COMPANY TRANSFERS

HELD AT MILLBANK ON WEDNESDAY 5TH SEPTEMBER

MEETING ATTENDED BY: Dr D Andre; Mr M Dagneau; Mr C Rocha; Mr D Pattenden and Mrs G Haley.

Other contributors to the meeting were Messrs B Bramley, G Brooks, D Stimson, A Suszynski, K Owen, B Green and J Stephens.

BACKGROUND

Barry Bramley opened the meeting outlining the history of this project and suggesting that each Group should outline the expertise it can offer high potential secondees. He suggested that:

BATCo: Can offer a wide range of experience in different cultures; and an opportunity to run a department at a relatively young age in one of the smaller subsidiaries.

BATCF: Has highly automated production, strong sales and a European business perspective.

IMASCO: Strength in consumer research, niche products, merchandising and the management of virginia brands.

BR & W: Strength in blended cigarettes.

SOUZA CRUZ: Offers expertise in agronomy and leaf processing.

It was agreed that a detailed statement for reference should be produced by each Group and sent to G. Haley.

Mr Bramley acknowledged that there was a slow start to this project but that momentum would be gained as successes were acknowledged and future nominations included in the planning cycles. The important principle to be adopted is that those managers with potential for senior positions may benefit by gaining specific development experience in another Tobacco Group.

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A number of key issues were discussed as follows:

#### REMOVAL OF NOMINATIONS

It was noted that nominations may be removed from the list due to unexpected local requirements, for example Wilkerson from BR & W. Nevertheless it was noted that we do not anticipate the removal of nominations for 1990/91 unless on an exceptional basis.

#### NOMINATIONS BEYOND 1991

Nominations for 1992 and beyond cannot be firmly planned and are likely to change.

#### DEVELOPMENT/TRAINING

Most nominations would be put forward for high potential staff who require a development move for 2 to 3 years. However we should also include high potential staff who require a shorter secondment (perhaps 6 to 9 months) for specific knowledge/training and who therefore require an individually designed programme. A example of this is Payne from the Leaf Department in BATCo who is currently on an individual programme in Brown & Williamson.

#### CURRENT NOMINATIONS

Opportunities for current nominations were discussed as outlined on the Summary paper.

#### LANGUAGE ABILITIES

English is required by all managers with senior management potential in BAT Industries. For development posts language training would be provided by the "home" Group, particularly if sufficient notice is given regarding the transfer.

#### ADEQUATE FEEDBACK

It is important to ensure that the "home" Group is given formal feedback of the performance of secondees. Comments may be requested to supplement the local appraisal system and these should be provided wherever possible. Each secondee should be assigned a mentor in the receiving company who can monitor how the development programme is progressing and assist in any other problems. Action is to be taken by each representative at the meeting.

#### RENUMERATION AND BENEFITS PACKAGES

Each Group should clarify their own policy regarding the remuneration and benefits package for their staff included in its Inter-company project. It is anticipated that the receiving company will ensure that this policy is adhered to. With regards to the allocation of costs, a more equitable system is required. It was agreed in principle that the receiving company should pay their standard package for a local manager, with all additional costs being met by the "home" Group. Jim Stephens in BATCo is currently preparing a more detailed paper on this issue. It was also noted that: Souza Cruz: are considering what approach to use and will communicate their decision in due course. BATCF: have no experience of this type of transfer and consequently have no current policy. They will be looking at the BATCo approach before making any final decisions. BR & W/Imasco: have existing salary policies for this category of employees and agree to forward details to Jim Stephens directly.

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CENTRAL CO-ORDINATOR

It was agreed that Geraldine Haley should act as the central co-ordinator and therefore will be kept up to date with any progress made, both on changes to nominations and discussions on individual placements. Profiles will be available which she can circulate upon request.

FURTHER MEETINGS

The usefulness of this meeting was reviewed and a proposal has been made to the TSRT to have a further meeting around September 1991.

IMMEDIATE ACTION REQUIRED

1. Inasco to confirm to G Haley requirements for short secondment to Cigar Group.
2. All Groups to draft comments regarding their own areas of expertise. These would serve as a useful reference point when considering opportunities for development for high potential staff. Reply to G Haley by the end of September if possible.
3. Forward details of remuneration and benefits policies towards Inter-company transfers to Jim Stephens at BATCo.

FURTHER OPPORTUNITIES DISCUSSED

1. Replacement for Novoa as Engineer Macon, BR & W. D Stimson to liaise with J Jewell.
2. International Auditors, BATCo. Recruitment into this department is conducted on an ongoing basis. Nominations to G Haley.
3. Plant Accountant, Southampton (BATUK&E), BATCo. May recruit externally in near future so nominations required urgently to G Haley. Note discretion required when discussing this opportunity.
4. BATCo has shortage of blending/product development expertise which is likely to continue in the short term. There is an immediate opportunity in Pakistan and others may follow. Nominations would be welcomed to G Haley.
5. Marketing director, Hong Kong. Candidates required immediately to G Haley.

*Geraldine Haley*

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