

Mr. A.L. Heard

Richard Binns

RB/PMW/

26th January 1989

Reference your fax of 20th January concerning innovative products, attached are two summaries from the relevant departments in R&D.

RRB's work is now largely concerned with providing support for the innovative work in progress in Projects DAY, GREENDOT and AIRBUS. It is pleasing that the CAC-funded work now seems to be well integrated into the work of the laboratories in Louisville and Montreal.

Reduced ignition potential cigarettes will not be available for a while, but initial investigations are in progress.

You will remember many of the projects in John Luke's note. Next month we will meet to consider priorities and no doubt you will make a selection from the list to use for your Industries presentation. Each project is summarized, but I would highlight :

DEER

Good progress in 1988 with Canada, Brazil and Switzerland.

ARROW

First attempt with much reduced tobacco rod giving "normal" low delivery (14 mm circumference; 5 mg/0.4 mg delivery)

TULIP

Resurrection of an innovative idea to produce structured rods ("CODEVAC") to control taste and flavour characteristics.

EPCOT

Foamed, extruded rods to produce a smokeable product using DEER-based technology. Interest stimulated by your recent (December) demonstration to the BATCo Board.

Many of the other projects are based on extrusion but are less innovative than those above. They are probably less dramatic, but nevertheless interesting for modifications of current products (AMTECH, FLITE, LEAST, HELSTON, THERMOS, CUPBOARD).

It may be useful to mention CUPBOARD as a project supported by BATUKE.

encs.

RICHARD BINNS

401354546