

C.A.C. NO. 1.

Interim Action Report 11th August 1976

S.J.G.
24 AUG 1976
ACK _____
FILE _____

In order to ensure that action is continuing on the various points agreed at Hot Springs, the following is an interim statement of the points requiring follow-up action, plus comments about what has occurred or is occurring.

On the right-hand side are the initials of those responsible for the action and I would ask for comment by return so that this interim report can be brought up-to-date.

- | | <u>Action By</u> |
|---|---------------------------------------|
| <u>Item 1. GIRA Report</u> | |
| 2) Companies attending CAC 1 are considering the value of commissioning detailed studies of this type in their own countries. Canada and Australia likely. UK, Germany, US and Brazil unlikely. | Co.s |
| 4) Dr. Green to discuss with GIRA possibility of GIRA being used as consultants to carry out critiques on other studies. | Dr.G |
| <u>Item 2. Life Expectancy of Smokers</u> | |
| 1) Dr. Green to circulate paper on this subject. | Dr.G |
| 2) BAT to take steps to see if TRC could speed up monograph on life expectancy. | Tob.Div. |
| 3) Tobacco Institute study (Kastenbaum) to be made available to delegates as soon as ready | B & W |
| <u>Item 6. Report on Group R & D Conference Montreal</u> | |
| 2) Millbank to consider appointment of a Group Medical/Scientific Adviser. | Tob.Div. |
| 6) Acquisition of a Flavour House.
Germany to investigate for Europe.
And B & W the same for USA | PM
Tob.Div/
Intersersa
B & W |
| PM has spoken about this matter to Eric Morgan of British-American Cosmetics and Paddy Davies, ex Lenthéric and still a Director of a Perfume House in Grasse, to alert them to keep their ears open re Perfume/Fragrance House for sale. PM also asked them to be available for consultations and vetting of any suggested purchases. BAC, of course, is closely connected in direct purchase with most Fragrance Houses of the world. | |

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Action ByItem 3. Social Unacceptability of Smoking

- 1) US films and video tapes seen at Hot Springs to be shown to Imperial and other UK companies Tob.Div.
- 2) CAC 1 Co.s to prepare, within 1 month, papers containing their thoughts on social unacceptability. All Co,s
- Comments received to date from B & W and Canada.
- 3) PM to arrange special meeting on this subject following receipt of papers on 2) above. PM
- (Some papers still awaited)

Item 4. The Effect of Restrictions on Current Marketing and Marketing in the Future

PS undertook to arrange special Conference for Marketing Directors and also to circulate proposed programme for this Conference in advance to all CAC No.1's. PS

This matter is in hand but programme not yet submitted.

Item 11. Cost Sharing

4) & 5)

New ground rules for patents, as outlined in Appendix I to start immediately. Dr.G

Millbank should circulate the new ground rules so that all companies are aware of new arrangements. Dr.G

7) EJS to examine application of the turnover basis to companies not represented at CAC 1. EJS

Item 10. Tobacco Division Board Paper "Smoking and Health Assumptions, Strategies and Constraints".

New version of this paper to be circulated to all CAC 1 delegates (and probably all No.1's) after it has been cleared by Tobacco Division Board. Tob.Div.

Topic E - Manning

PM committed Millbank to quantifying requirements in this field as soon as possible and would circulate a paper on this subject with specific proposals.

PM discussing with G. Dennis.

Topic F - Multi-nationals

Millbank to produce a code of conduct for circulation to No.1's of Group companies plus a brief on BAT's

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Topic F - Multi-nationals (Cont'd)

Action By

answers to the main criticisms of multi-nationals.

PM

Matter in hand with PR Department.

Topic H - Productivity

Millbank to communicate directly with Co.s concerned on how ideas can be progressed.

PS

Millbank study group continues its work and letters already sent to certain CAC 1 Co.s to take matter further.

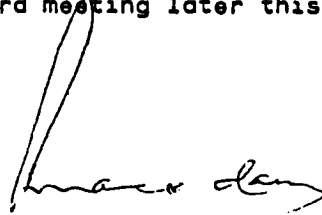
Further Tobacco Acquisitions.

PM agreed to take the matter further with the No.1's of the companies discussed at Hot Springs in the order of precedence agreed there.

PM

PM (+ P.D. Tindley) met with AR on the 26th July 1976 with a negative outcome. Already advised to CAC 1 Co.s.

PM now arranging to meet T of L in New York towards the end of October. Meanwhile, PS and CHSL will discuss the UK choice at an off-the-record meeting later this month.



P. MACADAM

PM/19.8.76.

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