

MARLBORO SMOKE DELIVERY LEVELS IN EUROPE

Distribution:

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## INTER-OFFICE CORRESPONDENCE

To: The File

Date: November 4, 1977

From: H.B.D. Taylor

C. C.:

Subject: Marlboro Smoke Delivery Levels in Europe

1. The subject was discussed at meetings held on October 21 and 24.
2. The basic aim is to standardize numbers throughout the Region at 18 mg DPM with the relative reduction in smoke nicotine, and at the same time to prepare ourselves to get lower than 18 if necessary. In the case of Germany and the U.K., we will standardize at 15 mg DPM.
3. This should be achieved by keeping the taste direction, and ensuring an absolute minimal affect on the taste of the product.
4. The first step in reduction in smoke deliveries will be achieved by a 10% to 15% filter dilution, by the use of either porous tipping or non visible zone perforated tipping paper. (It should be noted that porous tipping is not going to be used in the U.S.A.)
5. First trials to apply a 10% to 15% filter dilution have been made with porous tipping paper. Operations are of the opinion that this is the quickest solution to achieve objectives especially as we are not expecting problems over the supply of materials.
6. In parallel with 5, product development has started with non visible zone perforated tipping paper, and a supply shortage of this tipping paper could be created if there are sudden increased demands. Operations must prepare for the eventuality of undertaking in-house perforation, and PM USA are currently working to perfect this process.
7. A complete development program has to be prepared for all Marlboros produced by each manufacturing facility, together with a timetable indicating when the product will be developed, when they will be ready for production, and what technology will be used. The objective being to achieve one standard relative to taste, aspect and technology. This schedule should be ready in approximately one month's time.
8. Running parallel with 7, a complete evaluation of the licensee possibilities and capabilities should be undertaken as quickly as possible, particularly relative to the type of filter dilution.

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9. To get experience, we have decided to switch, as soon as possible, from a Hauni dilution to porous tipping relative to Marlboro 100's produced in Holland and FTR.
10. As full flavour brands are growing in Germany we have to be extremely careful that the taste is not affected by the present objective, which is to lower the existing DPM of 16.3 mg to 15 mg. There are indications that some competitors are preparing their brands with reduced NO and CO figures by filter dilution, and in order to put ourselves into a position of also being able to reduce NO and CO in particular, we must start to develop alternatives to the German Marlboro. In view of this a quick decision must be made relative to the ordering of the necessary materials.
11. Ludwig Dohrmann was requested to ask Staffan Gunnarsson if he would confirm that the U.K. will go down from 16 mg DPM to 15 mg DPM.
12. The first samples for France, at 18 mg DPM, are scheduled to be available by January 1978, and for Belgium and Holland approximately two months later. These will have porous tipping.
13. The different Marlboro prototypes with a 10% to 15% dilution should be ready by the middle of 1978. These should then be consumer tested (blind test) against (a) the present European Marlboro, (b) the present US Marlboro and (c) the diluted US Marlboro. We will take, as the benchmark, the Marlboro that is locally available. No changes will be made until these tests have been completed.
14. Operations should plan for all our European factories to be in a position to produce the final diluted product by the end of 1978.
15. Arising from complaints received from the Italian market, AGB considers that the taste gap between the US and European manufactured Marlboros has increased to an unacceptable level. At the same time it was recognized that consumers' reaction to taste could be prompted by psychological factors caused by pack image.

There are four different sourcing points at the present time:

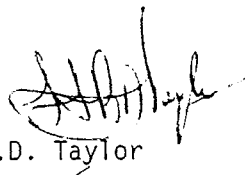
- (a) US - MLK (soft pack) for the South
- (b) Monital - License manufacture
- (c) EEC - ex Holland and Germany
- (d) European Transit, mainly FTR, but also ex Holland and Germany.

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15. AGB considered that we should have two Marlboros only, - the one made (cont.) in the U.S.A., and the other of European manufacture which should be of one quality, irrespective of where it is manufactured.

GEK was requested to build a European Transit Marlboro, which should be as close as possible to the US product, and to prepare quotations and samples as soon as possible.



H.B.D. Taylor

Note: All DPM numbers are according to PME Standards.

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