

WBF/PA

23rd November, 1967.

P. Sheehy, Esq.,
British-American Tobacco Company
(Nederland) B.V.,
P.O. Box 3881,
Amsterdam 11.

Dear Pat,

CABALLERO

It is now possible to give more realistic estimates of the costs to be incurred on your behalf by A. & L.E. and C.C.E.

First of all, A. & L.E. are attempting to characterise and measure differences between CABALLERO and the other Dutch brands we have asked and obtained from you. Their work falls into two areas:-

- 1) Examination of the tobacco blends.
- 2) The inter-relation between smoke chemistry and subjective smoking assessment.

Not all tests will necessarily be made on all the brands received - as the work proceeds it will be possible to concentrate what appear to be the most informative analyses on the most relevant brands. This first phase will cost £700. Because of the time taken in selecting the brands, transport, freezing, conditioning, etc., it is not now likely that this work will be completed in December. January now appears to be the earliest time at which it can be complete.

A. & L.E. feel that this should be followed by the application of their computerised GC analysis on selected Dutch brands. This is expensive (over £200 per sample), but it is the most powerful and informative method of smoke analysis yet developed, and in my view well worth doing.

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A. Cheeky, Esq., Amsterdam

23rd November, 1957.

Before proceeding to that stage, however, I think it best that Mr. C.A. Evelyn (who is in charge of the N. & L.E. investigation) visit you, together with myself, to present and discuss the first stage results. This, as I have indicated, would be early in the New Year.

C.C.L. for their part are concentrating on physical and flavour aspects of the various brands, together with chemical analyses (of humectants, additives, etc.). They anticipate that their costs will be of the order of £650.

Total costs up to the completion of the first stage are therefore:-

N. & L.E.	£700
C.C.L.	£650
Duty paid on samples	£120
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Total	£1,470

This does exceed my provisional estimate of £1,000, and indeed, if you agree to the continuation to the G.C. and computer stage, the final total could approach £3,000. I had not foreseen that time would be available on the N. & L.E. G.C.-computer facility, but since they are prepared to make it available, I would urge you to take advantage of it. I know too that Mr. Evelyn is pushing the work ahead as fast as it should go, and the final picture should be available in time to assist your marketing plans.

Chemical research work of this nature necessarily contains a speculative element. As far as I can discover from Marketing colleagues here, it is no more and no less speculative, & for £, than market or consumer research. Both can guarantee results - to guarantee the commercial value of the results is asking rather more.

With kind regards,
Yours sincerely,

W.B.

W. B. Fordyce

c.c. I.B.F. Bluett, Esq.
V.E. Brown, Esq.
Mr. I.W. Hughes.
L.A. Davies, Esq. ✓
J.P. Sikkil, Esq.

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