

(1) MAGNA

- **NATIONAL EXPANSION OF MAGNA 85mm FF SP/85mm LT SP/79mm FF CP FOR A 4/3/89 DTS.**

- **TIMETABLE:**

1/16/89	PRODUCTION START-UP
2/23/89	PRODUCTION COMPLETE
3/03/89	1ST SHIPMENT TO D.A.
4/03/89	NATIONAL DTS

- **VOLUMES:**

134MM	INITIAL INVENTORY PER STYLE
46MM	MAGNA FF 85/LT85 BIGIF
81MM	MAGNA CPB BIGIF
.9MM	SALES SAMPLES/GRATIS PER STYLE

(2) MAGNA LTS BOX

- 79MM LT CPB CONFIGURATION (27MM TIPPING WIDTH).
- NATIONAL INTRODUCTION - 4/3/89 DTS.
- LOCATION: 64-2 (HLP-4 PACKERS)
- TIMETABLE:

1/16/89	PRODUCTION START-UP
2/23/89	PRODUCTION COMPLETE
3/03/89	1ST SHIPMENT TO D.A.
4/03/89	DTS
- VOLUMES:

230MM	INITIAL INVENTORY
98MM	BIGIF
1.6MM	SALES SAMPLES/GRATIS

(3) CAMEL ATF

- CAMEL PRODUCT WITH ATF FILTER
- TWO STYLES - 85mm FF SP/85mm LT SP
- 2.4% TEST MARKET - 7/5/89 DTS.
- BRAND STYLE CONFIGURATION:
 - 85mm W/25mm TWO SEGMENT FILTER: 15mm ATF 10mm ESTRON
- TEST MARKET PRODUCTION LOCATION: TOBACCOVILLE 1-B
- TIMETABLE:

2/01/89	GO/NO GO DECISION
2/27/89	FILTER PRODUCTION START-UP
4/24/89	PRODUCTION START-UP
7/05/89	DTS
- VOLUMES: TBD
- R&D TO SUPPLY FILTERS FOR THE TEST MARKET. PRODUCTION WILL SUPPLY PERSONNEL FOR R&D TO MAKE THE FILTERS.
- THE ATF PRODUCT WILL BE RECONFIGURED TO A 108/4 FILTER FOR THE EXPANSION INTO A REGIONAL OR NATIONAL MARKET.
- ONE YEAR'S LEAD TIME IS REQUIRED FROM AR APPROVAL TO PRODUCTION START-UP FOR ADDITIONAL CAPACITY WITH A REGIONAL OR NATIONAL LAUNCH ON ATF.

(4) PROJECTS VRP/SRP

- TEST MARKET BEING DEVELOPED FOR A VRP100 ONLY - 1/30/89 DTS.
- SRP100 AND VRP/SRP85'S ARE STILL UNDER DEVELOPMENT. WILL FIELD TPT ON 4 STYLES.
- EXPANSION WITH SRP100 AND 85MM STYLES IS UNDER REVIEW FOR JULY, 1989 FOR BALANCE OF U.S. EX-NASA. POTENTIAL EXISTS FOR NASA TO BE ALSO INCLUDED.
- LOCATIONS: WHITAKER PARK FOR VRP
TOBACCOVILLE FOR SRP
- TIMETABLE:

COMPLETE	FIRST SHIPMENT TO D.A. FOR VRP100
01/17/89	FIELD TPT - 4 STYLES
01/30/89	DTS FOR VRP100 TEST MARKET
04/10/89	TPT RESULTS
	GO/NO GO DECISION
04/24/89	PRODUCTION START-UP FOR NATIONAL EX-NASA
	EXPANSION OF ALL FOUR STYLES
07/05/89	NATIONAL EX-NASA DTS

- TEST MARKET VOLUME -

44.4MM

VRP100 PRODUCED

50677 6318

(5) PROJECT TF

- BRAND STYLE CONFIGURATIONS -
 - 2 STYLES: MENTHOL & REGULAR
 - 22.5MM CIRCUMFERENCE/98MM IN LENGTH
- TEST MARKET - 04/03/89 DTS
- STYLES MAY REQUIRE BEAD INSERTION INTO FILTER.
- TF WILL NOT USE "CLICK TOP" BOX OR OPP FILM FOR TF PACKAGING.
- FIELDDED 2 CELL TPT - ONE WITH AND ONE WITHOUT THE BEAD IN THE FILTER.
- TIMETABLE:

COMPLETE
01/23/89

02/13/89
03/03/89
04/03/89

SALES SAMPLES PRODUCED (4 STYLES)
TPT RESULTS
GO/NO-GO DECISION
IN PRODUCTION
1ST DELIVERY TO D.A.
DTS

(5) PROJECT TF (CONTINUED)

- VOLUME:

27.7MM	TF MENTHOL (LOAD/BIGIF/SUSTAINING)
36.6MM	TF REGULAR (LOAD/BIGIF/SUSTAINING)

- BEADS WERE FOUND IN RECLAIMED TOBACCO IN INITIAL PRO OPERATION TEST. CURRENT TEST SHOWS 99.9% OF THE PELLETS ARE REMOVED BY USING A "SWAN" SYSTEM AND RUNNING THE TOBACCO THROUGH THE SYSTEM TWICE. THIS SYSTEM HAS LIMITED CAPACITY BUT WILL BE USED THROUGH MARCH, 1990 WHEN A PRO PILOT LINE IS PLANNED TO BE IN OPERATION ASSUMING TF CAPITAL AR APPROVAL BY 3/01/89.
- NATIONAL EXPANSION OF TF:
 - NATIONAL EXPANSION 10/02/89 DTS.
 - 470MM LOAD; 263MM BIGIF
 - NEW GDX-2 PACKERS ARE ASSUMED TO BE IN PRODUCTION BY 10/2/89 AND 01/01/90.
 - PRODUCTION START-UP 6/05/89 FOR NATIONAL LOAD.
 - 21 DAYS OF OVERTIME REQUIRED IN 1989 ON THIS CONFIGURATION.
 - 21 WEEKS OF SSL INVENTORY W/O 5/29/89 IS THE PEAK.
 - PRODUCE 216MM TOTAL ON ML100 REG & MEN BOX IN THIS 1989 PLAN.
- NOTE: NEW GDX-2 PACKERS WILL MORE THAN LIKELY NOT BE AVAILABLE UNTIL FEBRUARY, 1990. A REVISED PRODUCTION PLAN WITHOUT THIS CAPACITY IS BEING DEVELOPED BY PRODUCTION PLANNING.

(6) DUL85

- **NATIONAL LAUNCH OF DUL85 - 4/3/89 DTS.**
- **SAME BLEND AS ALL DORALS.**
- **LOCATION: WHITAKER PARK**
- **TIMETABLE:**

1/23/89	PRODUCTION START-UP
2/23/89	PRODUCTION COMPLETE
3/03/89	1ST SHIPMENT TO D.A.
4/03/89	DTS

- **VOLUMES:**

230.4MM	LOAD
0	BIGIF
1.5MM	GRATIS

- **NO INSERTS PLANNED.**

(7) MORE WHITE LIGHTS 120

- NATIONAL EXPANSION OF MORE WHITE LTS 120 REGULAR AND MENTHOL.
- CURRENT PAC MOUNTAIN PRODUCT IS MORE LIGHTS 120 WITH BROWN CIGARETTE PAPER.
- TIMETABLE:

COMPLETE	LOAD PRODUCTION
01/30/89	NATIONAL DTS

- VOLUMES:

256.4MM	MWL120 PRODUCED
252.2MM	MWL MEN 120 PRODUCED

- WILL KEEP MORE LIGHTS 98MM BOX IN MARKET WITH THIS EXPANSION EXCEPT IN CURRENT TEST MARKET OF PAC. MOUNTAIN SALES AREA. DISTRIBUTION OF MORE LTS. BOX WILL DROP WITH THIS NATIONAL EXPANSION OF MORE WHITE LIGHTS - SALES DROP TO 218MM HAS BEEN FORECASTED.
- ALL 120MM PRODUCTS WILL MOVE TO ON-LINE LASER AFTER THE INTRODUCTION OF MORE WHITE LIGHTS 120.

(7) MORE WHITE LIGHTS 120 (CONTINUED)

- WHITE LIGHTS TEST MARKET IN PAC MOUNTAIN SALES AREA.

- TIMETABLE:

COMPLETE	MWL120 PRODUCTION
2/03/89	MWL MEN 120 MATERIALS AVAILABLE
2/13/89	MWL MEN 120 PRODUCTION
2/23/89	PRODUCTION COMPLETE
3/03/89	1ST SHIPMENT TO D.A.
4/03/89	TEST MARKET DTS

- VOLUMES:

4.322MM	MWL120
4.322MM	MWL MEN 120

(8) DORAL FF MENTHOL 85/100

- **REGIONAL EXPANSION OF CURRENT DORAL FF MENTHOL 85/100 BRANDS.**

- **TIMETABLE:**

**COMPLETE
COMPLETE
COMPLETE
01/30/89**

**BUILD LOAD ON DFF MENTHOL 85
BUILD LOAD ON DFF MENTHOL 100
FIRST SHIPMENT TO D.A.
DTS**

- **VOLUMES:**

**143.7MM
0**

**LOAD & SALES SAMPLES/STYLE
B1G1F**

(9) VANTAGE PRODUCT CHANGE

- LOWER TAR PRODUCT (8-9 MG FROM 10.4) FOR VKS - WILL USE V100 BLEND.

- MOVE TO ON-LINE LASER TIPPING FOR VKS AND VKS MENTHOL.

- TIMETABLE:

COMPLETE

01/20/89

01/23/89

MARCH, 1989

INSTALL LASERS FOR VKS

DELETE INVENTORY OF EP TIPPING

GO TO ON-LINE LASER EQUIPMENT AND

NEW BLEND (V100) FOR VKS

80% DISTRIBUTION OF NEW PRODUCT

(10) 79MM CPB RECONFIGURATION

- **MARKETING HAS REQUESTED THAT ALL 79MM CPB PRODUCTS BE RECONFIGURED TO AN 83MM PRODUCT AND POTENTIALLY NON-COMPRESSED AT A 24.4MM CIRCUMFERENCE WITH A 7-6-7 CIGARETTE PACK ARRANGEMENT.**
- **BRANDS' PRIORITY FOR CONVERSION:**
 - **MAGNA LTS. BOX**
 - **CAMEL LTS. BOX**
 - **MAGNA FF BOX**
 - **CAMEL FF BOX**
 - **WINSTON LTS. BOX ***
 - **WINSTON FF BOX**
 - **NOW BOX**
- * **CAN MOVE HIGHER ON THE LIST IF MACHINE CAPACITY DICTATES SUCH A MOVE.**
- **PRODUCTION/EQUIPMENT AR WILL BE READY FOR REVIEW BY 2/01/89. TWELVE (12) MONTH LEAD TIME IS REQUIRED FROM AR APPROVAL TO PRODUCTION START-UP FOR FIRST CAPACITY AT 83MM. FIRST TWO COMPLEXES WILL MEET PRODUCTION CAPACITY REQUIREMENTS FOR BOTH MAGNA AND CAMEL LIGHTS CPB.**

(11) CAMEL HYSTAR INTRODUCTION

- INTRODUCTION OF HYSTAR FOR CAMEL FF85 - BETTER MOISTURE CONTROL.
- BLENDING ISSUE AT TOBACCOVILLE - CANNOT APPLY HYSTAR AND B-9. WILL APPLY B-9 MANUALLY UNTIL PROCESS IS EXPANDED BY 3RD QTR. OF 1989.
- REVISED TIMETABLE:

01/23 - 1/30/89

02/27/89

04/10/89

05/22/89

MANUFACTURING TEST RUN

MAIL OUT

TEST RESULTS/RECOMMENDATIONS

IMPLEMENTATION

(12) WINSTON TOLL-FREE INSERT

- **PACK INSERT PROGRAM TO PUBLICIZE TOLL-FREE NUMBER TO REPORT QUALITY PROBLEMS.**

- **TEST ON WINSTON K.S.**

- **CHANGE IN WRAPPERS AND CARTONS.**

- **TIMETABLE:**

TBD	MATERIAL/INSERT AVAILABILITY
TBD	MACHINABILITY TESTING
TBD	PRODUCTION COMPLETE
3/06/89	TARGET DATE FOR PRODUCT AVAILABILITY FOR FIRST QUARTER LOAD.

- **VOLUMES:**

800MM	WKS W/TOLL-FREE NUMBER
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- **TIMETABLE AND VOLUMES TO BE FINALIZED WITH SCHEDULE FROM MARKETING W/O 1/23/89.**

(13) CARTON INSERTING EQUIPMENT

DEVELOPMENT STATUS:

- ON-LINE CARTON INSERT OPERATION -

G.D. INSERTERS: THE RETRO-FIT ON THE 4350 WRAPPER FOR THE INSERTERS HAS BEEN SIMPLIFIED. A DECISION WAS MADE TO ORDER TWO PROTOTYPES - ONE 85MM; ONE 100MM. PROTOTYPES WILL BE AVAILABLE BY AUGUST 31, 1989 - IN PRODUCTION BY OCTOBER 1, 1989.

MINN. AUTO. INSERTERS: PROTOTYPE HAS ARRIVED IN WINSTON-SALEM. A TIMETABLE WILL BE DEVELOPED W/O 1/23/89 ON TESTING THE CARTON INSERTER ON DORAL LT. 100 AT WHITAKER PARK.

- PACK INSERT OPERATION - G.D. PROTOTYPE FOR 120MM PACKER WILL NOT BE AVAILABLE UNTIL MID-1989.
- CARTON ON-SERT OPERATION - PROTOTYPE OPERATION IN PLACE AT BIG1F. NO EXPANSION PLANS ARE CURRENTLY SCHEDULED.

(14) CAMEL "SMOOTH MOVES"

- CAMEL PROGRAM FOR 3 MONTH "SMOOTH MOVES" CAMPAIGN.
- "SMOOTH MOVES" TIPS ON PACK INSERT.
- PROGRAM DTS - 5/01/89 FOR 80% DISTRIBUTION.
- TIMETABLE:

2/20/89	CL100; CLCP
2/27/89	C100
3/02/89	CFCP
3/03/89	CF85
3/06/89	CL85

- MACHINABILITY TEST TO BE SCHEDULED W/O 1/23/89 BY PRODUCTION ENGINEERING AND PRODUCTION PLANNING.
- A NO LOAD SCENARIO IN THE 1ST QUARTER COULD CHANGE THE TIMETABLE - MRD IS EVALUATING THE IMPACT.

(15) PROJECT HC

- PROJECT TO MARKET/PRODUCE/SELL PRODUCT IN HALF CARTONS.
- TEST WITH 4 BRAND STYLES: WKS/WL85/SKS/SL85
- TIMETABLE:

LAUNCH BY JUNE, 1989

- VOLUMES:

70M	WKS/WL85
50M	SKS
TBD	SL85

- NEXT STEPS:

- PRODUCTION ENGINEERING IS CONFIRMING EQUIPMENT AVAILABILITY.
- CONFIRMATION OF PRODUCTION LOCATION - BIGIF FACILITY IS PROPOSED FOR HC OPERATION.