



B.A.T (U.K. AND EXPORT) LIMITED

SECRET

To: J.G. Lord

8th November, 1993

**Re: Southampton Risk Management Group
U.K. Cigarette Production**

At our 5th October meeting you asked for data on our U.K. competitors in preparation for any discussions you might enter into with them.

COMPANY	FACTORY	(Note 1 Billions)	Note 2	SURPLUS
		CAPACITY	93 OUTPUT	
B.A.T.	Southampton	27.0	28.9	1.9 Shortfall
ROTHMANS	Darlington	54.2		
	Spennymoor	19.9		
	Total	54.1	32.0	22.1
GALLAHERS	Lisnashillan	18.6		
	Hyde	26.7		
		45.3	40.0	5.3
IMPERIAL	Nottingham	67.7	32.0	35.7

Note 1 BAT Data taken from Bob Dean note 27 September 1993 based on Normal overtime per week.

U.K. Competitors data provided by Roger Beck in his note 3rd November 1993 based on 2 shift working (15 hours/day), 240 days per year with machine efficiency 80% and utilisation 90%.

Note 2 B.A.T. data taken from Bob Dean's note.

U.K. figures provided from marketing and double checked over the phone with Nigel Groves (8015) 8.11.93.

Figures based on 1992 figures and adjusted by them for '93 estimate.

I Attach some notes I made on the B&W contracts with American Tobacco and Lorillards. I understand that B&W are now renegotiating these contracts and also entering into discussions with R.J. Reynolds.

David Jones - to Adv. Council?
J.A. Sellars
J.A. SELLARS
- useful source of competitor info.
REGENTS PARK ROAD MILLBROOK SOUTHAMPTON SO9 1PE FAX 0703 780 332 TELEX 477269 BATRDD G
TELEPHONE 0703 777 155

REGD OFFICE MILLBANK KNOWLE GREEN STAINES MIDDLESEX TW20 1DY INCORPORATED IN LONDON No 139761
A MEMBER OF THE BRITISH-AMERICAN TOBACCO COMPANY GROUP

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