

Jan. 9, 1989

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DAS info. re: the 83/84  
below is P/R Q-1A.  
2) If you get any inquiries  
refer to P/R for answer/  
response. Do not get involved  
in any discussion publicly on this  
P/R.

Beginning Jan. 16, R.J. Reynolds Tobacco Co.'s operations division will terminate about 90 temporary and 75 contract workers in the tobacco processing and special promotional areas of manufacturing. In addition, 83 employees who had accepted the terms of the company's 1987 voluntary separation program but who agreed to continue their employment with the company until the first quarter of 1989 will also be terminated.

Employees will be notified between Jan. 16 - 30.

#### QUESTIONS AND ANSWERS

1. What operations are being affected by the terminations?

A. The 83 VOLSIP extenders are highly skilled employees located throughout the operations division. In 1987 they were asked to extend their employment to no later than March 31, 1989 in order to train other employees to replace them. Since that training has been completed, the 83 employees are being terminated.

The 165 temporary and contract workers are located in the tobacco processing and special promotional areas of manufacturing.

2. Are these terminations a result of RJR's declining share of market or the performance of Premier in the marketplace?

A. The terminations are a result of adjustments in the workforce that are necessary to accomplish the company's changing short-term production requirements and for refinements that are necessary in the high technology products area of the company.

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