



R.J. REYNOLDS INTERNATIONAL

INTER-OFFICE CORRESPONDENCE

Date: February 11, 1997

To: L. Curtis

Cc: F. Lockamy, W. Dähne, M. Beeson, P. Braxton, P. Sawyer, F. Krüll,
S. Lane

From: Udo R. Westphal

Subject: Quality Assurance Services RJR USA for RJR Tobacco International

Dear Lorraine,

I would like to thank you for having made my visit with you and your people so interesting and informative for me. You have indeed a fine group of professionals on whose expertise and specific help we shall definitely be expecting to continue to rely on for the many challenges we are facing in RJRTI.

1. FACTORY REPORT OF QUALITY TO QA WINSTON SALEM

Please refer to the QA Proposal you presented to me in W-S. QA Geneva agrees with your proposal to standardize reporting formats, but would like to review the existing documents and determine what format changes and factory information will be necessary. There are plans for the issues listed in your proposal to be reviewed and defined in a meeting to be held in Geneva beginning the second week in March. I am not available in February, and only as of the second week of March. Let's make sure that Pat and Ferdi are available, too.

After the standardized Monthly QA Factory report format has been defined, the long- term plans are for Geneva QA to review the reports for any issues and correspond directly, or through designated HUB representatives - Ferdi Krüll and Pat Sawyer - at each factory to resolve identified quality issues.

I. QATI PRODUCT QUALITY EVALUATION REPORTS

Within the mandate given by F. Lockamy to Quality Assurance in Geneva, the replacement of the current Penalty Point system is not a viable alternative since the system works satisfactorily and the users are satisfied with the information provided by the QATI evaluation reports. The needed updating of the QATI penalty report system will be shortly undertaken and implemented, since it is not a major modification, but a streamlining and

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