



ONE PARK AVENUE, NEW YORK, N.Y. 10016-5895 • (212) 545-3000

DIRECTOR OF SALES PLANNING

August 24, 1995

TO: All Division Managers and Assistant Division Managers
FROM: K. A. Sparrow
SUBJECT: Merchandising -- Newport #1 Club

Please be advised that New Century Merchandising, Inc. is filling backorders for Newport #1 Club material, as quickly as material is arriving from suppliers involved.

All Newport #1 Club displays and stanchions should be in the Field by 9/15/95.

New Newport #1 Club photos featuring the high, medium and low impact pieces are enclosed.

As a reminder, Special Promotion quantities for Newport #1 Club participants are at a base level of 150% of authorized premium items and 200% of authorized savings offers.

The Newport #1 Club Special Promotion riser card was made to "showcase" our Special Promotions.

Our number one objective is to gain an additional temporary display to feature premiums, coupon, sticker, insert or BIG1F offers, due to the heavy quantities authorized. However, an additional cardboard display is not required. Authorized quantities of deals that will not fit on a cardboard display or where an additional temporary display cannot be secured, may be left as back up stock. There is no gratis payment authorized for Newport temporary displays.

Payments made to retailers for the program components (display, advertising, bonus where applicable) should be charged to Account Number 500 on gratis.

95646462

Please refer to Joe Hickey's letters dated April 12, 1995 for reporting displays as Level I, II or III and June 19, 1995 for reporting high impact P-O-S on CRS.

Those locations entered into the Newport #1 Club should be changed to Niche "C" via an S-181 or "UCI" via an S-182 when implementing the program.

Additional material needed for Newport #1 Club material, must be requisitioned through your Regional Sales Manager.

Enclosed is a copy of all Newport #1 Club item codes for your reference.

I'm sure you'll agree that this program is mutually beneficial to both the retailers involved and Lorillard. Our objective to heighten Newport's presence in highly developed menthol areas and give Newport, the #1 menthol brand, the #1 presence it deserves is easily accomplished.

Good Luck in implementing the Phase Two roll out of the Newport #1 Club Program.

K A S
K. A. S.

/pag
Enclosure

cc: R. B. Spell
P. J. McCann
S. L. Enloe
T. L. Achey
L. H. Kersh
J. J. Tatulli
Directors of Sales
Regional Sales Managers
Managers, Chain Accounts
Area Training Managers

OSANPT#1

95646463