

MARCH
STATUS REPORTS

50015 4645

PROGRAM

A-1

STATUS

1. VANTAGE LONGS went national on January 17. Sales volume to date is below forecast: 534MM shipped through week beginning 2/28 vs. 595MM forecasted. Two short term corrective actions have been instituted:

- (1) VANTAGE LONGS ROP 15¢ off-pack coupon drop (32MM circ.) was moved up to the week of 2/28.

- (2) New advertising copy for newspaper emphasizing "NEW VANTAGE LONGS" in the headline and a 3 pack visual will replace current ads beginning the week of 3/14.

Sampling effort (7.5MM/4's in 20 markets) began 2/28. Major coupon drop (\$1.00 off-carton/VANTAGE family) scheduled for 3/27 and 4/10 via Sunday Supplement at 45MM circ.

2. WINSTON LIGHT 100's

Everything go for DTS on 3/21.

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PROGRAM

STATUS

A-3

Pending resolution of Manufacturing capability and successful consumer panel product testing, a repositioned DORAL product at 4 mg TPM will be introduced into test market as soon as possible (currently estimated on or about July 1).

Test marketing will be required to definitively determine the downside effect and near-term opportunity associated with two product variables-- filter configuration and color of tipping paper. Current discussions with MRD center on test market timing of approximately 3 months which would enable a national re-introduction during the 4th Quarter. Revised project timetable will be submitted the week of 3/7.

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Status of A-4

National plans and test market translations have been prepared for presentation to Marketing Management on 3/8. These plans include recommended advertising, P-O-S, media and consumer promotion programs. Research in the areas of concept, advertising and packaging has been completed. Two product candidates have been approved for testing beginning 3/21 with results due 5/16. Acknowledging very tight timetables, the Brand will be ready for test marketing at two different spending levels in June-July, 1977.

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Status of A-8

SALEM King 16mg product has been NFO tested and shipment tested. All tests are complete. NFO test revealed equal acceptability between 16mg and current SALEM King product. Shipment test revealed volume opportunity of +.86%. Brand Group recommendation to go national with 16mg SALEM King product to be presented to W.D.H. week of 3/7/77.

A-9

TD has developed three improved WINSTON 85 prototypes for NFO testing.

1. Improved WINSTON blend at current 19 mg 'tar'.
2. Improved WINSTON blend at 17 mg 'tar'.
3. Revised CAMEL FILTER blend at 17 mg 'tar'.

Preliminary lab analysis indicates all three blends may come in one to two mg's lower in 'tar' than stated above.

TD proceeding to prepare product for NFO mailing. Final results tentatively scheduled for May 29. (NOTE: due to additional TD work required, 17 mg products may be delayed two weeks.)

Prototype availability for WINSTON 15 mg 'tar' product still scheduled for June 15.

50015 4650

STATUS OF B-1

Awaiting results of MRD Hi-Fi Segmentation study
before preparing development plans.

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B-4

VANTAGE "Point" campaign currently undergoing consumer testing.

1. Persuasion testing ("Buy Test") results due 3/18.
2. Mapes & Ross DAR scores indicate campaign does not generate high impact.

Recall

VANTAGE "Point"	8
VANTAGE "Candid"	8
All Cigarette Norm	20

Agency to present (a) revised VANTAGE "Point" executions and (b) alternative campaign directions on 3/11.

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Status of B-5

Test are currently underway to measure increased impact of MORE's current campaign and new campaigns are currently being developed aiming at second quarter testing.

Status of B-6

Revised blends which incorporate changes indicated on Post Introductory Study (reduced puffs, easier draw, no burnout, increased flavor) are currently under development at T.D. with scheduled completion date of April 30, 1977.

C-1

New subjects for 1977 "Candid" pool have been shot and approved.

Focus on 1977 pool is young, masculine models. Per the Brand's pool policy, 80% of WINSTON advertising will feature male models. Female models will be limited to LIGHTS and LIGHT 100's in media delivering predominantly women (i.e., female monthlies).

New subjects for the dual style executions are currently being photographed.

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STATUS OF C-2

In an effort to improve the "Enjoyment" campaign for SALEM advertising, Brand Group and Agency are in process of selecting new models.

- Four models from "California Shoot" are being prepared by Agency for DAR testing. Test dates to be determined.
- Agency conducted west coast casting session last month to develop pool of models. Brand groups to view models and select pool for further campaign development and testing. Model selection by Brand Group week of 3/7/77.

1977 MBO - PRIORITY PROJECTS

STATUS - MARCH

Program D-3

Familiarization with current special events programs continuing; to be completed by 3/31/77.

Next Step

Development of Statement of Objectives for Special Events - in conjunction with Mr. Sherrill.

DFP:st
3/4/77

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STATUS OF F-1

Development of SALEM Lights/SALEM Long Lights creative strategies are currently in progress utilizing three separate approaches:

Thematic Fold-in - This approach utilizes the basic strategy of the SALEM "Enjoyment" campaign via a stylized execution to separate the full-flavor from the Light's styles. This approach would retain "Enjoyment" integrity, increase efficiency of total advertising expenditure while separating low tar and full-flavor styles. Finished comps are due from the agency by April 1, 1977. Focus group testing to follow April 8.

Flavor Groups - Using the "Enjoyment" format the SALEM brand would be separated into two distinct "flavor groups" -- full-flavor and low tar. This would be accomplished with individualized copy for each group and flavor group pack signatures, i.e., full flavor - SALEM King and SALEM Longs; low tar - SALEM Lights and SALEM Long Lights. Finished comps due from Agency April 1, 1977. Focus group testing to follow April 8.

New Lights Campaign - Retain the "Enjoyment" campaign for SALEM full-flavor brands and create a unique campaign to promote the benefits of Light's styles. This would be a completely new creative approach for these two brand styles. Finished comps due April 1, 1977. Focus group testing to follow April 8.

Dual-style executions combining WINSTON KING with WINSTON 100's and are in the process of being tested.

First wave results from Mapes & Ross indicate that impact and communication levels show no difference in Brand style vs. dual style executions. This research tends to confirm the validity of our judgment to proceed to dual style executions ahead of test results.

The current schedule for dual style implementation is as follows:

WINSTON KING & 100's ----- May
WINSTON LIGHTS & LIGHT 100's ----- July

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F-4

1. Market test of SCS-III filter on VANTAGE 85 and Menthol scheduled to begin 4/1.
2. Brand Group and Agency developing preliminary marketing position/strategy for a VANTAGE product utilizing a conventional filter. Project just initiated with LKP, no firm target dates or next steps yet developed.

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STATUS OF F-5

Development plans call for test of current plastic filter versus conventional estron filter. Sample product with conventional filter received 3/4/77 being evaluated for possible NFO testing.

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STATUS OF F-6

NOW will be transferred to Established
Brands effective April 1.

50015 4661