

ATC. Lucky Strike Lts (1K3+100)

May 9, 1984

To: Mr. G. H. Long
From: T. E. Miller
Re: COMPETITIVE ACTIVITIES

AMERICAN TOBACCO

- Lucky Strike Lights Kings and 100's Expand - Starting May 14, American will expand distribution of these items to the states of North and South Carolina. The brand was initially introduced in the Spokane area in October, 1983 (attachment I).
- Carlton Slims Deluxe 100's Box Expand - Based on an article in Ad Age, American will expand distribution on Carlton Slim Deluxe to Washington, Montana, Alaska and parts of four western states. The brand was initially introduced in Charlotte, Grand Rapids and Sacramento in October, 1983 (attachment II).

BROWN & WILLIAMSON

- Military - Viceroy VPR Program - Based on information supplied to us by Mr. George Schachle, Norfolk Military & Institution Sales Manager, Brown & Williamson has implemented a Viceroy voluntary price reduction program designed to generate 210.3 mm incremental units. The program will feature continuous VPR's on the entire Viceroy family for three months or more. The entire program will be funded from the Viceroy budget and include P.O.P. special displays and base newspaper media support. The program will address the top 160 commissaries and the fifty largest volume exchanges.

All commissaries located in Special Markets will be offered the program which features \$1.50 VPR's on Viceroy Kings and \$2.00 VPR's on all other Viceroy styles. ✓

The program began April 1 and will run for three months at a time. Funding has been approved for nine consecutive months (till year end), however, the program will be analyzed after a two-month period and could be cancelled or continued based on sales results (document on file).

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LIGGETT & MYERS

- Advertising Incentive Payment Offer - Based on information supplied to us by Mr. Steve Bremer, Tulsa Division Manager, Liggett is offering their wholesale customers an advertising incentive payment for running the following ads between June 4, 1984 through July 13, 1984:

Option I: Wholesalers must insert two (2) 300-line advertisements in a "Best Food Day" advertisement or free standing advertisement during the incentive period. Payment of 10¢ per carton for generics ordered and shipped during the incentive period.

Option II: Wholesalers must insert two (2) 600-line advertisements in a "Best Food Day" advertisement or free standing advertisement during the incentive period. Payment of 12¢ per carton for generics ordered and shipped during the incentive period.

Bonus Incentive: 2¢ per carton incentive earned for banner placement (attachment III).

- Eve Free Pack Offer - Liggett is running magazine ads offering consumers a free pack coupon with a pack purchase (attachment IV).
- Generics - Liggett is telling jobbers they will meet our terms of 3 1/4% discount. Documentation is expected soon.
- GPC Generics - Have been chosen as the cigarette of the 1984 World's Fair in New Orleans. Information sent to us by Mr. George Moulton, Manhattan Division Manager (attachment V).

LORILLARD

- Allowance For Increased Distribution - Lorillard offers jobbers a 1% allowance for purchase of selected brands. This is paid quarterly. Satin has been added to the list. Mr. R. A. Richeda, N. Houston Division Manager, sent us details (attachment VI).

PHILIP MORRIS

- Philip Morris Contracts For 250,000 Display Units - Based on information from Mr. Ray Noonan, New York Regional Manager, and Mr. Rory O'Rourke, Long Island Division Manager, Philip Morris has contracted to have a supplier produce 250,000 display units which are believed to be used for Players 25's. This is sufficient quantity for a national launch.

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PHILIP MORRIS (Continued)

Mr. John Drew, Detroit Regional Manager, reported to us that a Philip Morris direct accounts manager has been telling jobbers and vendors that Philip Morris will introduce Players as a brand to compete with generics.

- Premium Lights Oval Cigarettes - Mr. Paul Letourneau, Austin Division Manager, sent us a package of 100mm Premium Lights Oval cigarettes which are being given to consumers who participate in consumer research conducted in a Mall. Consumers were asked smoking habits and also asked if they used any antacid pills. This question is probably an irrelevant one to disguise the research purpose (attachment VII).

FINANCIAL

- Smith Barney Harris Upham & Co. Incorporated released their Tobacco Monitor dated April 5, 1984 (attachment VIII).
- Kidder, Peabody & Co. Incorporated released a report on American Tobacco dated April 3, 1984 (attachment IX).
- First Boston Research released a report on Philip Morris dated April 24, 1984 (attachment X).
- Brown Brothers Harriman & Co. released a report on Philip Morris dated April 18, 1984 (last attached).

TEM

T. E. Miller
Marketing Development Department

TEM:dhh

Attachments

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cc: Mr. W. E. Ainsworth, Jr.
Mr. R. Angiuoli
Mr. A. L. Barnett
Mr. G. T. Baroody
Mr. R. B. Beasley
Mr. P. C. Bergson
Mr. L. A. Bewley
Mr. L. Birkin
Mr. W. A. Blair
Ms. M. Bledsoe
Mr. G. Blynn
Mr. F. H. Christopher, Jr.
Dr. G. R. DiMarco
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Mr. J. J. Gangloff
Mr. J. A. Giles, III
Mr. D. W. Grout
Mr. L. W. Hall, Jr.
Mr. S. G. Hanes
Mr. B. D. Hatter
Mr. D. G. Haver
Mr. J. R. Helm
Mr. P. J. Hoult
Mr. K. J. Keiser
Mr. J. E. Kinney, Jr.
Ms. B. J. Kirby
Mr. H. J. Lees
Ms. L. S. Lewis
Dr. R. A. Lloyd, Jr.
Mr. T. H. Lowe
Ms. S. A. MacKinnon

Mr. J. R. Martin
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Ms. E. N. Monahan
Mr. D. P. Montgomery, Jr.
Mr. J. R. Moore
Mr. G. Novak
Mr. M. L. Orlowsky
Mr. H. E. Osmon
Mr. T. B. Owen
Mr. D. F. Pearson
Mr. J. D. Phillips
Dr. D. H. Piehl
Mr. L. W. Pullen
Mr. R. J. Reagan
Mr. L. S. Schreiber
Mr. R. D. Sherrod
Mr. J. R. Shostak
Mr. T. J. Sullivan
Mr. R. Sustana
Mr. C. A. Tucker
Mr. J. B. Wilson
Mr. J. T. Winebrenner
Mr. S. B. Witt, III
Mr. S. C. Wooten, Jr.
Ms. S. K. Zimmerman
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CAMEL Brand
CENTURY Brand
MORE Brand
NEW PRODUCTS
NOW Brand
SALEM Brand
SPECIAL EVENTS
VANTAGE Brand
WINSTON Brand

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