

June 14, 1985

RJR
SECRET

No. 381 By dm

Declassification _____

TO: Mr. A. T. Sterling
Mr. M. L. Raker

FROM: Ms. M. A. Albert

SUBJECT: XG FFLT NM 85 SP PROTOTYPE TEST (558-B AND C) X70+ TOPLINE RESULTS
(MDD #85-42606)

PURPOSE:

To report X70+ topline results on the performance of two XG FFLTNM 85 SP prototypes (558-A and B) versus Marlboro Lights 85 (and CAMEL Lights 85) among target smokers.

BACKGROUND:

In recognition of the importance of younger adult smokers to RJR's growth, Project XG will be positioned to compete aggressively with Marlboro. To effectively meet this goal, Project XG must incorporate a superior product which is superior in smoothness to Marlboro, while providing comparable strength and tobacco taste. Plans currently call for XG to be test marketed in January, 1986.

Brand is preparing for test market by developing/testing prototypes in three configurations: FFNM 85 SP, PFLTNM 85 SP, FFNM 80 Box.

● XG FFNM 80 Box

Recent testing on WINSTON Box resulted in a superior prototype (446-D), without B-9 in filter, to Marlboro Box (and in-market WINSTON Box) among WINSTON's target smoker group. As a result, this product is in Phase II manufacturing. The post-production test on WINSTON Box (CT-606A) and the supplement (on WINSTON Box and Marlboro Box) among XG target smokers is currently in field. Topline results will be reported week of July 22.

● XG FFNM 85 SP

In tests of conventional XG FFNM 85 SP prototypes (MDD #84-42602/Prototypes CT 444-A and C; MDD #84-42606/Prototypes CT 552-A and B), none of the products achieved action standard of superiority versus Marlboro. As a result, further development/testing is being pursued. Two CAMEL F 85 SP prototypes (CT 566-A and C) are currently in field as possible candidates for XG FFNM 85 SP. Topline results will be reported weeks of June 24 and July 9, respectively. Another CAMEL F 85 SP prototype (CT 668) is scheduled to be mailed out week of July 22, with topline to reported week of September 2, 1985.

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● XG FFLTNM 85 SP

In recent testing (MDD #85-42602), neither prototype (443-A and B) achieved action standard of superiority versus Marlboro Lights 85 among target smokers, as both prototypes were parity with Marlboro on overall acceptance. Prototype 443-B was at parity with Marlboro on all product attributes. Relative to Marlboro Lights 85, prototype 443-A was at parity on nearly all product attributes and had the advantage of less harshness.

Further development/testing is being pursued. This topline assesses the X70+ performance of two XG FFLTNM 85 SP prototypes (CT 558-B and C) versus Marlboro Lights 85 smokers, aged 18-24.

ACTION STANDARD:

Full Flavor Low Tar XG Soft Pack 85 prototypes should achieve overall superiority versus Marlboro Lights 85 among male Marlboro Lights 85 smokers, aged 18-24.

OVERALL PERFORMANCE:

- Among male Marlboro Lights 85 smokers, aged 18-24, neither prototype (CT 558-B and C) attained action standard of superiority versus Marlboro Lights 85.
 - Both prototypes were rated at parity with Marlboro Lights 85 on overall acceptance.
 - The prototypes performed at parity with each other.
 - Both prototypes (and Marlboro Lights 85) were superior to CAMEL Lights 85.

	<u>Sample Size</u>	<u>Target Smokers</u>
Marlboro Lights 85	300	62.3
Prototype 1 (CT 558-B)	300	59.6
Prototype 2 (CT 558-C)	300	59.1
CAMEL Lights 85	300	51.5

← Significant difference (80% confidence level)
with arrow pointing to superior product.

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NEXT STEPS:

A mailout date of July 29 has been requested for two XG FFLT 85 SP prototypes. We are waiting for timing confirmation from NFO.

Final report including attribute performance will be issued week of June 17.

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