

1982

OPERATIONAL PLANS

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OBJECTIVE #1

Exploit the trend to Mild and Low Tar brands.

Program Background and Rationale

The international trend towards Mild and Low Tar products presents an important long-term opportunity to capitalize on BWIT's range of brands. This trend is most significant in the economically developed countries where, in general, our penetration in terms of market share has historically been very low. The recent developments of BARCLAY and KENT I in the Ultra Low sector and KENT Golden Lights are the priority brands in these markets.

In the economically developing countries, where the majority of BWIT's export business is concentrated, the trend to smoker concern has not developed as <sup>SIGNIFICANTLY</sup> ~~originally forecast~~. Full Flavor brands continue to account for almost all the growth of the U.S. International segment. KENT Parent and KENT Golden Lights, and VICEROY Lights in selected Licensee markets, are the priority brands in the developing ~~markets~~ <sup>Countries</sup>.

Strategies

I. KENT

A. Smoker Concern Markets

KENT Parent (all styles) will be positioned as offering an alternative for concerned smokers by projecting a milder image than competitive international Full Flavor brands ~~in those markets where smoker concern has become an issue.~~

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B. Non-Smoker Concern Markets

KENT Parent (all styles) will be repositioned closer to the mainstream of U.S. International brands in markets where smoker concern has not become an issue.

C. General

- To continue heavy support in markets in which the brand is established.
- To ensure that in delivery terms the products are below competitive U.S. international brands.
- To strengthen and improve promotional activities in markets in which advertising is limited.

II. KENT GOLDEN LIGHTS

A. Smoker Concern Markets

K.G.L. will be positioned and heavily supported against existing Low Tar brands.

B. Non-Smoker Concern Markets

K.G.L. will lead in the development and expansion of the Low Tar and Nicotine segment.

III. KENT I

KENT I will be positioned as the Ultra Low Tar and Nicotine line extension of the KENT Family and will ensure the positioning of a KENT brand in the lowest ranking of Tar and Nicotine tables worldwide.

IV. KENT MILD CHARCOAL - JAPAN

KENT Mild Charcoal was developed to position a KENT brand in the dominant Charcoal segment of the Japanese market.

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V. BARCLAY

BARCLAY will be developed as the Group's major free-standing, U.S. International, Ultra Low delivery brand. Positioning will be similar to the United States where permissible.

Legal protection will continue to be sought for the trademark and technology worldwide.

VI. VICEROY LIGHTS

VICEROY Lights is positioned to protect the Parent franchise against loss as the Milder segment develops and to gain from existing Mild or perceived-Mild brands. The brand will be promoted on a regional basis in Hong Kong and Latin America.

VII. VICEROY RICH LIGHTS CHARCOAL - JAPAN

VICEROY Rich Lights Charcoal will be positioned as a free-standing, U.S. entry in the dominant Charcoal segment of the Japanese market.

Implementation Plans

I. KENT PARENT

- Event . . . . . Non-Smoker Concern advertising development.  
Target Date . . . . . January 1, 1981 introduction in Colombia;  
July 1982 decision on effectiveness.  
Accountability. . . . . J. J. Howley

II. KENT GOLDEN LIGHTS

- Event . . . . . Development of long-term image campaign.  
Target Date . . . . . September 1982. *not-f*  
Accountability. . . . . J. J. Howley

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- Event . . . . . Product delivery reduction to 5.0 mg. tar/  
0.5 mg. nicotine.

Target Date . . . December 1982.

Accountability. . R&D

III. KENT I

- Event . . . . . Introduction in three smoker concern markets  
in Scandinavia.

Timetable . . . . . Product

Packaging

Advertising

Market Introduction - September 1982

Accountability. . J. J. Howley

R. L. Llewellyn

IV. KENT MILD CHARCOAL

- Event . . . . . Test market and national introduction.

Timetable . . . . . End of test market - April 1982

National introduction - May 1982

Accountability. . T. Whitehair

V. BARCLAY

- Event . . . . . Introduction of brand in smoker concern  
market of Europe and ~~Australia~~. *Far East*

Timetable . . . . . Switzerland

Holland

Belgium

Australia  
*Hongkong April 1982*

Accountability. . W. J. Mason

*T Whitehair*

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- Event . . . . . *Dispatchment of a Technical Commercior  
to support the brand introduction.*

- Event . . . . . Legal protection of trademark and technology.
- Timetable . . . . . 20 markets - Ongoing
  - Germany - 1st Quarter 1982
  - U.K. - Ongoing
- Accountability. . J. J. Howley
  - W. J. Mason
  - M. L. Hendershot

VI. VICEROY LIGHTS

- Event . . . . . Development of extensions of the approved advertising company<sup>13<sup>rd</sup></sup>.
- Timetable . . . . .
- Accountability. . J. J. Howley

VII. VICEROY RICH LIGHTS CHARCOAL - JAPAN

- Event . . . . . Test market and national introduction.
- Timetable . . . . .
- Accountability. . T. Whitehair

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