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FROM: J. K. King

DATE: March 10, 1976

SUBJECT: VISION Test Market

Attached is the recommended program for introducing VISION (Filter and Menthol) into the Portland, Oregon Trading Area (#59). Please note that the test dates conflict with our tentative schedule to launch FACT nationwide (FACT sales meetings begin July 10, 1976). If we proceed on both schedules as planned, FACT or VISION will suffer.

There are several sections to the entire program:

1. Key dates
2. Work Program
3. Introductory Program (Allowances)
4. Sell-in Program
5. P. O. P. Program
6. Consumer Sampling
7. Vending

Please advise if there are any questions/comments/concerns about this effort.

JK
J. K. K.

VISION - TEST MARKET

VISION (Regular and Menthol) is to be introduced into the Portland, Oregon Trading Area (#59).

I. Key Dates : (Full Schedule Attached)

1. Field Sales Meeting	7/19/76
2. Initiate Direct Account Sell-In	7/19/76
3. First Shipping Date	8/19/76
4. Distributor Push (Rapid Distribution Allowance)	8/19/76 - 9/ 3/76
5. Initiate B&W Retail Blitz (4 week duration)	9/ 6/76-10/ 1/76
6. Start Media Advertising	9/ 6/76
7. Retail Stocking and Display Push (2 week)	10/ 4/76-10/15/76
8. First Coupon Drop (Package Offer)	10/17/76
9. Retail Stocking and Display Push (3 week)	10/18/76-11/ 5/76
10. Second Coupon Drop (Carton)	10/31/76
11. Stock Adjust - Clean Up	11/ 8/76-11/26/76

II. Work Program

The work plan for VISION is essentially the same as for the Phase I introduction of FACT.

Major components of the plan are as follows:

Manpower:

Manpower is adequate and at present is fully staffed.

Sell-in:

Retail representatives will begin pre-booking VISION orders for cigarettes and displays in non-controlled buying outlets utilizing Flyer Sheets as the selling tools. Pre-booking activities will be secondary to the SMP Promotions, but should begin during the week of 7/19/76. No special routing is required. Division Managers are to be advised of all pre-booked orders and displays.

Division Managers are to begin soliciting direct accounts 7/19/76 following the Field Sales meeting. Division Managers are to hold sales meetings with Distributor salesmen to obtain cooperation and build enthusiasm for placing VISION cigarettes in retail outlets. Division Managers should also determine if the Distributor will pass along to his salesmen all or part of the special 25¢ per carton allowance (8/19/76-9/ 6/76 count/recount).

All sell-in and pre-booking will stress distribution allowances, P. O. P. advertising allowances, coupon drop dates, and the potential for VISION cigarettes.

VISION Blitz

Prior to the initiation of the retail blitz in which VISION is the only brand worked, Division Managers are to meet with each Sales Representative to sort through the assignment call cards and establish priorities for making calls to obtain territory coverage.

All retail outlets through "D" bracket are to be called on during the first 4 weeks. No in-store activity is to be performed by Sales Representatives other than obtaining distribution, depth of distribution, display and placement of VISION advertising materials. "F" bracket calls should be made during week 4 of the Blitz when adequate coverage of the other volume brackets has been obtained.

Considerations

1. Establish a mandatory daily call target to obtain territory coverage. Re-align assignments as required.
2. Rural area assignments must cover territory within 4 weeks in order to help Blitz the coupon drop areas during weeks 5 and 6 (10/4/76-10/15/76).

3. Door-to-door routing may be preferable in inner city assignments.
4. Pre-booked product and displays must be considered in re-routing.
5. Priorities:
 - (a). Package display contract outlets must be placed high on the priority list.
 - (b). All other high volume package sales outlets are the next priority.
 - (c). AA, A, B, and C bracket outlets that are controlled buying outlets are very important calls and must be made as soon as plus-out stock is received. Calls made on these outlets prior to the receipt of stock is wasted time and effort.

The objective for weeks 5 and 6 is to obtain depth of distribution and display of VISION cigarettes in all over-the-counter package sales retail outlets located in and around the Coupon Drop area. This Coupon Drop (10/17/76) will cause considerable movement of product and sufficient stock must be on hand. In-store brand "presence" through placement of P. O. P. as well as displays is necessary.

Manpower may be drawn from rural areas of a division when deemed necessary by the Department Manager to insure optimum distribution and display of VISION cigarettes in the coupon area.

The objective for weeks 7 thru 9 (10/18/76-11/5/76) is to maintain depth of distribution, set carton floor displays, maintain package displays, and insure adequate in-store advertising for VISION cigarettes. The Second Coupon Drop (carton offer) will occur on 10/31/76.

During the period weeks 10 through 12 (11/1/76-11/19/76), VISION displays and advertising are to be maintained (full 3 months). While continuing to work the VISION Promotion, Representatives are to balance VISION cigarette stocks by transferring carton stock from stores that are over-stocked to stores that are under-stocked.

In package display contract outlets, VISION cigarettes will be maintained in the primary display position for the

full 3 month promotion. After the 3 month period, every effort should be made to obtain a two carton counter VISION display in the second choice position by using the LMP Program.

Test Market Assessment

Selected Head Office personnel will visit the Portland Trading Area to assess the effectiveness of the advertising and in-field work and promotion program.

III. Introductory Program

Allocations: None. Introductory allowances will be paid on a count/recount basis

Allowances: Phase #1 - Rapid Retail Distribution 8/19/76-9/ 6/76

- Pay \$15.00 per 12M case of VISION (Filter and Menthol) moved through Direct Accounts warehouse.
- Phase #1 allowance is to obtain cooperation of Direct Accounts in moving stocks of VISION cigarettes into retail stores prior to the start of retail work by B&W's Sales Force.

Procedure

- A warehouse stock count will be made Sept. 6, 1976 on each Direct Account by B&W Field Sales personnel.
- All VISION cigarette stocks in the Direct Accounts warehouse is deducted from the total VISION cigarettes purchased by the Direct Account.
- Division Managers pay Direct Account \$15.00 per 12M case of VISION cigarettes that have moved through Direct Accounts warehouse.

- Division Manager retains record of quantities paid for at the \$15.00 rate. Record to be used at the end of Phase #2.

Note: Division Managers attach signed receipt for payment to next expense statement and charges for VISION Distribution Allowance in Extraordinary Section of expense statement.

Phase #2 - Sustain/Increase Retail Distribution
9/ 6/76 - 10/16/76

- Pay \$9.00 per 12M case of VISION Filter and/or VISION Menthol moved through Direct Accounts warehouse.
- Phase #2 allowance is to obtain cooperation of Direct Accounts in insuring adequate stocks are available in retail stores for the pack coupon drop and the carton coupon drop.

Procedure

- A warehouse stock count will be made October 17, 1976 on each Direct Account by B&W Field Sales personnel.
- All VISION stocks in the Direct Accounts warehouse plus the stock previously paid for at \$15.00 rate is deducted from the total VISION cigarettes purchased by the Direct Account during the 8 week period.
- Division Managers pay direct accounts \$9.00 per 12M case for the balance.

Note: Division Managers attach signed receipt for payment to next expense statement and charges for VISION distribution allowance in Extraordinary section of expense statement.

Terms: First month's purchases 3% - 30 days on stock purchased. Regular terms thereafter.

IV. Sell-In Program

Trade Brochures

65 per Division Manager.

Flyer Sheets

- 1,000 sheets per Division Manager.
- Flyer sheets are to be sent to DM's prior to 7/19/76.
- DM's give each Sales Representative 100 sheets for use starting 7/19/76 to pre-sell VISION and pre-book displays in non-controlled buying outlets.
- DM's will make Flyer Sheets available to Vol./Coops. for their use in announcing the availability of VISION cigarettes to their retail store customers.

Field Presentation Samples

30 cartons of each style of VISION per Division Manager.

V. P.O.P. Program

30/50 Pack Displays

Attach VISION riser card and fill with 2/3 VISION Filter and 1/3 VISION Menthol. Maintain display in primary display location.

Convenient/High Pack/Carton "Tower" Display

Innovative combination pack and carton display. Holds 32 packs and up to 6 full cartons back-up stock. Ideal for convenient/high traffic package outlets and for non-self service supermarket courtesy counters.

Payment: \$4.00 for 1 month. Renew 2 times during three month period.

Note: In convenient type stores and other selected high package stores who have 30/50 pack contracts, this display may be used in addition to the 30/50 pack displays. In such instances, use the "Tower" display for VISION cigarettes promotion period and fill 30/50 pack displays with the SMP Major Promotion Brand.

30 per Retail Assignment.

20 Pack Counter Display

Sell-in 2 cartons VISION Filter and 1 carton VISION Menthol; fill with 13 packs of Filter and 7 packs of Menthol.

Payment: \$2.00 for 1 month showing. Renew 2 times.

1-1/2 times normal quantities per Assignment.

30 Pack Checklane Displays

Fill with 20 packs of VISION Filter and 10 packs of VISION Menthol.

Payment: \$1.50 per active checklane for 2 week showing. Renewable 5 times. Agree time with Chain Headquarters or owner of outlet.

1-1/2 times normal quantities per Assignment.

5 Pack Package Fixture Attachment

Insert two 5 pack displays in each RJR Package Fixture or attach to cash register at each active checklane (1 for VISION Filter and 1 for VISION Menthol).

Pay \$1.00 per active checklane for 1 month period (50¢ per attachment). Renewable 2 times.

100 each style per Assignment.

Floor Displays

30 cartons - stock with 20 cartons of VISION Filter and 10 cartons of VISION Menthol.

Payment : \$6.00 for two week showing.

Each Representative will receive two times normal shipment.

Butane Lighters

Tape 1 lighter to each carton in Floor Display (gratis to

consumer).

1,000 lighters for each Sales Assignment.

Aisle Spanners and Ceiling Mobiles

Payment \$2.00 for 2 weeks showing. Renewable 1 time.

25 each per Retail Assignment.

Permanent Universal Sign

Large sign with VISION message card for hanging over carton rack or other semi-permanent positions.

Payment: \$4.00 one time payment for installation.

Window Streamers

60" h x 15" w VISION poster (two to a set). Place on glass next to door.

Payment: \$2.00 for set for 2 weeks showing.

Renewable 1 time.

Quantity: 100 sets per Retail Assignment.

Miscellaneous P.O.P. Supporting Material

- | | |
|---------------|-----------------------------------|
| Logo Tabs | - 10 sheets per Retail Assignment |
| Danglers | - 400 per Retail Assignment. |
| Shell Talkers | - 400 per Retail Assignment. |

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Posters	- 300 per Retail Assignment.
Vending Tent	- 200 per Retail Assignment.
Coupon Poster	- 300 per Retail Assignment.
Coupon Shelf Talker	- 200 per Retail Assignment.

VI. Consumer Sampling

- 60 cartons (40 cartons of VISION Filter and 20 cartons of VISION Menthol) to each Sales Representative for in-store sampling.

Note: Consumer trial samples on standing order will be discontinued for 3 months.

- Special VISION Catch Coupons (buy 2, get 1 free) 50 per pad, 12 pads per retail assignment.

VII. Vending Distribution

To obtain vendors cooperation in placing VISION Filter and VISION Menthol, a special distribution allowance of \$3.00 per style will be paid during the period 8/19/76-12/31/76.

B&W contract customer will receive an additional \$3.00 allowance for placement of VISION (Filter or Menthol). A bonus of \$1.50 will be paid where both Filter and Menthol are placed in vending machines.

To qualify for distribution allowance, VISION cigarettes placed in vending machines cannot replace B&W brands presently in machines.

JKK/tmg
3/10/76

VISION Cigarettes	1976 MONTH	WEEK OF	Test in Portland, Trading Area #59											
			4/	5/	6/	7/	8/	9/	10/	11/	12/			
			1/	2/	3/	4/	5/	6/	7/	8/	9/	10/	11/	12/
			5/12/19	5/19/26	5/26/1	6/2/28	6/9/24	6/16/30	6/23/6	6/30/12	7/7/18	7/14/24	7/21/30	7/28/4
Receive Customer Samples Field Sales Meeting (7/19)														
Sell-in														
First Ship Date (8/19)														
Distributor Push														
Receive Consumer Samples														
Receive P.O.P. Material														
45g Display Sales Test														
Retail Blitz														
Start Media Advertising														
Chain Wholesale Stock Check														
Retail Stock Level Check														
1st Coupon Drop (10/12)														
Ctn. Cartons Push-Out Stores														
Chain Wholesale Stock Check														
Retail Stock Level Check														
2nd Coupon Drop (11/31)														
Stock Adjust SMP Schedule														
<input checked="" type="checkbox"/> Retail Work Start														
<input type="checkbox"/> Pkg. Coupon Drop														
<input type="checkbox"/> Ctn. Coupon Drop														

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