

MARKETING COMMITTEE
MEETING REPORT #83

3 PR-1-100P-
File
Trade Ad?

DATE: July 2, 1975
PLACE: Louisville, Ky.
PRESENT: Messrs. Pittman, Broughton, Groome, Johnston
and Muije
COPIES: Messrs. Edens, McCarty, Bryant, Dr. Hughes,
Pittman, Broughton (5), Brown, Cummins,
Groome (7), Johnston, Madsen, Muije and
Pepples

I. Minutes of the Marketing Committee Meeting #82 were approved.

II. NEW BUSINESS

A. B&W Shelf Carton Contract. Several of our Competitors have modified the payments and conditions of their Shelf Carton Contracts. Philip Morris's changed plan became effective on July 1, 1975. A detailed analysis by a B&W Task Force demonstrates that our current plan is likely to lead to a severe erosion of our favorable shelf position.

The Marketing Committee therefore recommends that our Contract be changed immediately and effective on July 1, 1975 (see attached recommended Contract).

It is estimated that the new plan will cost \$570,000 extra for the current fiscal year and eventually \$1,600,000 extra on an annual basis. For 1975 supplemental funds in the amount of \$570,000 will be needed.

Additionally, the Marketing Committee recommends that an announcement to the Trade about a change in our Contract be mailed immediately. This