

Medium

OLD GOLD FILTER BRAND
FIVE YEAR FORECAST
1981-1985
(Millions of Units)

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
<u>OGF KING</u>					
High	1,450	1,300	1,150	1,000	850
Medium	1,350	1,175	1,000	875	750
Low	1,325	1,100	900	750	625
<u>OGF 100's</u>					
High	275	250	225	200	175
Medium	250	200	175	150	125
Low	250	200	150	100	50
<u>OGF LIGHTS</u>					
High	600	800	1,000	1,200	1,400
Medium	500	550	600	650	700
Low	450	425	400	375	350
<u>TOTAL OGF</u>					
High	2,325	2,350	2,375	2,400	2,425
Medium	2,100	1,925	1,775	1,675	1,375
Low	2,025	1,725	1,450	1,225	1,025

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The High Levels are considered optimistic, but not unattainable.

The Medium Levels are conservatively realistic.

The Low Levels are pessimistic and represent what is considered as the worst case.

RATIONALE FOR FORECASTS

GENERAL

The High and Medium Forecasts assume that the Old Gold Filter Brand is given continued support. Industry Category projections are based on MRD's 1979 Five Year Forecast. All forecasts are rounded to the nearest 25 million units.

1. OLD GOLD FILTER PARENT

A. High Level Forecast

This assumes that both Parent Kings and 100's will maintain their 1980 shares of the Lo-Fi category. (OGF Parent will have an estimated 0.66 total share of the Lo-Fi category in 1980).

B. Medium Level Forecast

This is based on the current rates of decline excluding the -3.7% losses caused by Gift Stars withdrawal. This equates to -13% decline on OGFK and -17% on OGF 100's.

C. Low Level Forecast

This assumes that OGF Parent will continue to decline at its YTD 1980 Vs. YAG rate of -17% on OGFK and -21% on OGF 100's.

2. OLD GOLD LIGHTS

A. High Level Forecast

This is based on a successful re-launch of Old Gold Lights and the attainment of 600MM units in 1981, +200MM units, +50% Vs. 1980 forecast. Continued growth is then assumed with each successive year contributing +200MM.

B. Medium Level Forecast

Assumes a successful re-launch with OGL maintaining its share of the growing Low Tar/VLT categories, from 1981 onwards. (OGL is projected to have a 0.22% share of the combined Low Tar/VLT categories in 1981).

C. Low Level Forecast

This is based on a similar track record as the original Old Gold Lights.

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