

PHILIP MORRIS U.S.A.

INTER-OFFICE CORRESPONDENCE
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TO: Mike Moore
FROM: Susan Jannetta
SUBJECT: MERIT 1992 PLAN
EXECUTIVE SUMMARY

DATE: July 24, 1991

This provides the Executive Summary for the preliminary Merit 1992 plan. The plan is written based on the following assumptions:

- . Merit Ultima is launched nationally in November 1991 and continues to receive introductory support on a targeted basis through 1st Period 1992.
- . Merit's core franchise (Parent and MUL Regular) is supported almost exclusively via promotion throughout 1st Half, with only limited advertising support (targeted Outdoor, FSI and Supplements).
- . Merit "SL", a new flavor low line extension, is introduced nationally in July 1992. This line extension will be used to reposition Merit to younger adult smokers 25-34, and will receive the bulk of support in the 2nd Half.

Please note that the volume forecast is very tentative and that financials/budgets for this plan have not yet been determined. If you are in basic agreement with the direction of the plan, we will proceed with market selection for targeted programs, budget recommendations, etc.

Let's discuss at your earliest convenience.

cc: J. Scully
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R. Ferrin



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