TO:

E. J. Fackelman

FROM:

C. M. Faino

SUBJECT: MID-PRICE BRANDS

Attached is an analysis of Stride and Epic. The analysis is based on all currently available information including MSA and ICC data, Marketing Intelligence and Field Sales information, R&D product analytical reports, and published material.

I recommend conducting the following additional research on Stride:

- Purchase Nielsen Food Store data. The data represent Stride's monthly consumer movement in 100 food stores in the Stride test markets (Rochester/ Syracuse and Omaha) covering the entire test period (August-December, 1984). The cost is \$18,000 with data available by February 22.
- Conduct retail distribution/pricing checks in the Stride test markets to determine (1) the brand's current retail distribution and (2) Stride's ability to maintain its mid-price proposition over the long-term. The cost is \$2,000 with results available by March 25.

Optional Stride research includes conducting a retail distribution/pricing check twelve weeks after the brand's national introduction. This research would cost \$8,000 with results available in late April. The Ritz Audits are an alternative to this distribution/pricing check. We could also initiate a source of business study to determine Stride's consumer profile. The study would cost \$125,000 with results available by March 22. While the results would not be available until August, Tracker is an alternative to the source of business study.

I recommend doing a retail distribution/pricing check on Epic (7-Eleven's Private Label brand). This research would cost \$2,800 with results available by March 25.

To receive the results by the dates indicated, approval for the recommended and/or optional research is needed by February 15.

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cc: R. C. Nordine