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(By Noon)

- JOHNSON'S BABY POWDER -

8/5/92

Major Opportunities

1. Continue to fully leverage the diaper rash claim against JBP cornstarch.
- Current household usage on Johnson's Baby Powder Pure Cornstarch has declined from 13% in 1989 to 8% in 1991. Continue to support diaper rash claim in order to rebuild product usage.
2. Investigate ethnic (African American, Hispanic) opportunities to grow the franchise.
- Johnson's Baby Powder has a high usage rate among African Americans (52.0%) and among Hispanics (37.6%). Additionally usage indices are high for African American and Hispanic females for JBP talc (139 and 101 respectively). Hispanic females also have a high index (151) against JBP cornstarch. The brand can increase volume in 1993 by targeting these groups.
The brand will institute an adult hispanic media program and potentially launch an adult Black print effort.

Major Obstacles

1. The franchise faces weakness on several key skus in factory sales and in consumption.

	<u>YTD % +/- YAG</u>	
	<u>JBP</u>	<u>JBP/CS</u>
9 OZ	-35.6%	-26.4%
14 OZ	-9.7%	+6.3%
24 OZ	-14.8%	-31.2%

- JBP 4 OZ is down -6% in all outlets; Drug distribution down 5 points versus YAG.
- JBP 9 OZ is down -13% due to Food and Drug outlets; Drug distribution down 3 points versus YAG.
- JBP 14 OZ is down -11% due to declines in Food and Drug outlets.
- JBP 24 OZ is up +1%; a -10% decline in Drug has been offset by a +9% gain in Mass; Drug distribution is down 7 points versus YAG.
- JBPCS 9 OZ is down -8% due to declines in Food and Drug

- JBPCS 24 OZ is down -7% due to declines in Drug and Mass; Mass distribution is down 9 points.

- To correct this trend, renewed focus is needed on 9 oz and 14 oz sizes of the franchise. (Focus on building distribution in Drug and making these skus part of 1993 Ring Club.)

2. Negative publicity from the health community on talc (inhalation, dust, negative doctor endorsement, cancer linkage) continues.
 - Investigate the addition of an additive to reduce dust.
 - Encourage the reduction of dust in use by developing advertorial copy and media strategy to promote proper way to powder and diaper a baby.
3. Little differentiation on JBP talc and cornstarch versus private label.
 - Implement temporary price roll-backs on JBP and JBPCS (using BSP funds) to achieve merchandisable price points and attack private label in the absence of value added news ~~long term~~ (R15, P18)
 - Investigate JBP medicated line extension as news for second half 1993/1994.
 - Evaluate "time release" formula and /or oatmeal as second half 1993 news.
4. Mennen competitive coupon pressures strong YTD.
 - Participate in broad based infant coupon programs to combat pressure from Mennen (Period 2 FSI).
5. Talc is adult focussed business in baby focussed line.
 - Longer term, investigate moving brand to a different franchise.
 - short term, supplement infant plan with periodic adult promotional support
 - Period 5 "Adult" FSI