

A N N E X E 5

La promotion des produits du tabac

Table des matières

1.	La promotion de la légitimité sociale du tabagisme.....	3
2.	La publicité de «style de vie»	5
3.	Les jeunes	27
4.	Une publicité qui pourrait être attrayante pour les jeunes	47
5.	Les fumeurs.....	54
6.	Les femmes	63
7.	Le public en général.....	64
8.	La fidélité aux marques	67
9.	La publicité de commandite	71
10.	Le paquet.....	94
11.	Le « merchandising »	96
12.	Les magazines et les journaux.....	99
13.	Le cinéma	100
14.	Les publications étrangères.....	101

La promotion des produits du tabac

1. La promotion des produits du tabac a plusieurs effets indésirables :
 - Elle influence la perception que les consommateurs et le public ont du tabagisme.
 - Elle cherche à déculpabiliser les fumeurs.
 - Elle cache les méfaits du tabagisme derrière une image de santé, de vitalité et de jeunesse.
 - Elle confère une légitimité sociale au tabac.
 - Elle utilise la publicité de commandite pour faire de la publicité «de style de vie».
 - Elle se sert de séduisants paquets pour véhiculer l'image de la marque de la compagnie et pour vendre un produit mortel.
2. Le contenu des documents de commercialisation des demandereses confirme bien l'appréhension raisonnée de préjudice retenue par la Cour suprême en 1995.

1. La promotion de la légitimité sociale du tabagisme

«[Les compagnies de tabac] reconnaissent aussi que la publicité est essentielle au maintien de la taille du marché parce qu'elle sert à renforcer l'acceptabilité sociale de l'usage du tabac en l'identifiant au prestige, à la richesse, à la jeunesse et à la vitalité».¹

«L'interdiction de la publicité n'est qu'un aspect, même s'il est important, d'une vaste politique à long terme, en matière de santé, concernant le tabac et son usage. L'objectif à long terme est d'abaisser notablement la consommation de tabac. L'outil essentiel pour y parvenir est le programme national de réduction de l'usage du tabac, effort conjoint des gouvernements provinciaux, territoriaux et fédéral et des principales organisations du domaine de la santé. À court terme, les objectifs du gouvernement sont de renforcer la tendance actuelle contre l'acceptabilité sociale de l'usage du tabac et d'améliorer la crédibilité du message énonçant le coût pour la santé.»²

3. Les documents de commercialisation des demanderesse témoignent de leur désir d'accroître ou du moins de maintenir la légitimité sociale («social acceptability») du tabagisme.

- **D-222 ITL Marketing Plan – 1989 (ITL-431):**

p. 17524:

“The following philosophies have effectively governed ITL’s marketing planning and activities. They remain valid.

...

4. Support the continued social acceptability of smoking through industry and/or corporate actions (e.g. product quality, positive lifestyle advertising, selective field activities and marketing public relations programs)."

p. 17536:

“The bottom line has been a further decline in incidence – a decline which, unlike the previous few years, has to be laid squarely at the feet of the social/health environment as opposed to the price situation.

In 1989, it is imperative that we pursue the issues raised in VIKING and determine whether or not there are measures which can be used to alleviate the situation.”

p. 17535:

“VISA and DAY particularly must proceed with a high level of resources and support.”

¹ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, p. 88

² RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, p. 35

- **D-97 Letter from Sheehy BAT to Crawford 29 décembre 1986:**

“The BAT objective is and should be to make the whole subject of smoking acceptable to the authorities and to the public at large since this is the real challenge facing the Industry. Not only do I believe that this is the right objective but I also believe that it is an achievable one.”

- **P-119 RJR MacDonald – 1992 Marketing Conference presentation report – August 10, 1992 (RJR-4):**

p. 80119 7132:

“Increasing the social acceptability of smoking is a sound goal.

- *Smoking has become less socially acceptable.*
- *Any new product or packaging ideas that can help with this concern should be of interest.*
- *Potential candidate areas of interest include low/no sidestream, reduced/invisible smoke, pleasant/no odour, and environmentally friendly packaging.”*

- **D-230 (RBH-4162) Project 21, Toronto, June 1995:**

p. 10:

“DESIRED IMAGE CHANGES

The overriding desire is for a proposition which generates greater social acceptability. However, greater social acceptability appeared more a desired end result than an image shift and it was broken down in these sessions into the following components.”

...

*“Less harmful... This standard desire among smokers appears driven either by self-interest or by a desire for something which is “better” for others. The concept is described as healthier, less intrusive (less smoke) and, overall, less harmful to the smoker and to others. **The opportunity lies in a proposition which communicates a general sense of healthfulness and/or healthy lifestyle.**”*

2. La publicité «de style de vie»

« Monsieur P. Hoult, ancien directeur général d'Imperial, a affirmé au procès que la publicité dite de style de vie cherche à faire établir des associations dans l'esprit des consommateurs et, dans le cas des cigarettes EXPORT, une association avec plaisir, activités extérieures et jeunesse. »³

«Les appelantes soutiennent que le Parlement a imposé de façon injustifiée une interdiction complète de la publicité et de la promotion des produits du tabac, alors qu'une interdiction partielle se serait avérée tout aussi efficace. Elles disent que le Parlement aurait pu imposer une interdiction partielle en prohibant la publicité dite de «style de vie» (qui cherche à faire la promotion d'une image par l'association de la consommation du produit avec un style de vie particulier)...»⁴

« En outre, bien que la publicité purement informative puisse ne pas donner lieu à un accroissement du marché global, la publicité de style de vie peut logiquement être considérée comme ayant une tendance à dissuader de cesser de fumer ceux qui autrement cesseraient.»⁵

«Quant à la publicité positive, je dirais que, suivant la preuve, elle est de trois ordres: il y a celle qui contient essentiellement de l'information quant au contenu en goudron, nicotine et oxyde de carbone de la marque qui en fait l'objet; il y a celle qui vise uniquement à promouvoir une marque plutôt qu'une autre par l'effet de la couleur, du design de l'emballage et de sa présentation; il y a enfin l'autre qui cherche également à promouvoir une marque aux dépens d'une autre mais en créant une image et en associant un style de vie à sa consommation, c'est le "lifestyle advertising".»⁶

«Les procureurs reconnaissent, mais de façon bien timide, que la publicité dite de style de vie (lifestyle advertising) pourrait possiblement constituer une incitation pour les jeunes à devenir consommateur; ils ajoutent, de façon aussi timide, que, si seulement ce genre de publicité était interdit, ils ne seraient probablement pas devant les tribunaux, mais, soulignent-ils, ce n'est pas uniquement ce genre de publicité que la loi vise à interdire mais toute publicité, de quelque nature et caractère qu'elle soit.»⁷

4. Ce sont les demanderessees qui ont souligné aux tribunaux, lors du premier litige, qu'il y avait lieu d'établir une distinction entre les publicités «informatives», les publicités «préférentielles de marque» et les publicités «de style de vie».

³ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 91

⁴ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 95

⁵ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, Mme le j. McLachlin, p. 158

⁶ P.G.C. c. RJR MacDonald c. Canada, [1993] R.J.Q. 375, M. le j. Brossard, p. 437

⁷ P.G.C. c. RJR MacDonald c. Canada (P.G.), [1993] R.J.Q. 375, M. le j. Brossard, p. 418

- **Argumentation de ITL devant la Cour supérieure :**

« In respect to advertising in particular, measures can be envisaged which would be specifically tailored to deal directly with types of advertising considered problematic and with target groups considered vulnerable.

*For example, **legislation could prohibit “lifestyle” advertising or prohibit people from appearing in advertisements or even limit advertising to pictures of cigarette packages.** It could restrict or prohibit advertising in the media which are seen as more powerful while allowing more freedom in the less psychologically powerful media which have to be purchased (e.g. print). **It could also prohibit any advertising in media aimed at youngsters or of a nature to specifically appeal to youngsters.** Such legislative measures already exist in the Quebec Consumers’ Protection Act regarding television advertising aimed at children (see, especially, art. 249) which has been held constitutional by the Supreme Court in Irwin Toys. »*

- **Imperial Tobacco Limited, Argument and Annexes, 500-09-001297-910, CAQ, vol. 237, p. 48658:**

“Though the TPCA leaves quite untouched the manufacture, sale purchase or consumption of tobacco products, the Canadian ad ban is extremely far reaching if not total and does away with advertising of whatever nature, big or small, pictures or text, lifestyle or not, outdoor or indoor, in publications of whatever readership and without any regard to the content of the advertisement.”

Page 48707:

“Even those most viscerally opposed to tobacco advertising (e.g. Chandler) see the real culprit as lifestyle advertising. This could have been dealt with directly without affecting other advertising (see Annex III) “

Page 48781:

“For example, legislation could prohibit “lifestyle” advertising or prohibit people from appearing in advertisements or even limit advertising to pictures of cigarette packages... It could also prohibit any advertising in media aimed at youngsters or of a nature to specifically appeal to youngsters...”

- **The Argument of the Appellant Imperial Tobacco Limited – Supreme Court of Canada, p. 31-32:**

“112. For example, the government at various times considered or had before it the following alternatives to a full advertising ban, all of which would have had less of an impact on protected rights, and yet chose to impose a complete ban on advertising without any evidence, or without even seeking evidence, that the alternatives would have been less effective:

A ban short of a total ban of Canadian advertising, such as the prohibition of all advertising save those types explicitly permitted.

...

A ban or regulation only of lifestyle advertising (or even of all advertising depicting people)

...

Measures such as those which already exist in Quebec's Consumer Protection Act (R.S.Q. C. 40.1) to prohibit advertising aimed at children or advertising in media aimed at children.

...

Prohibiting tobacco-related sponsorship of events of particular interest to youngsters.

Measures such as those which already exist with regards to broadcast advertising of alcoholic beverages, designed to allow only that brand-preference advertising which satisfies a Board that it will not stimulate overall consumption and that it is directed at people over the age of eighteen.

...

Labelling requirements, which Health and Welfare Canada believed to be preferable to an advertising ban."

5. La promotion d'un produit imprègne dans l'esprit des consommateurs un ensemble d'informations, d'attributs, d'opinions ou de croyances qui vont s'accumuler pour former l'image de la marque.
- **D-166 Pollay, Richard, « How cigarette advertising work. Rich imagery and poor information:**

Page 3:

*"3.3 Lifestyle Advertising. As used in marketing and advertising textbooks, "lifestyle" refers to "the pattern of living that reflects how people spend their time, energy, and money" (Wells, et al. p120). It becomes manifest in their activities (work, hobbies, social events, vacations, entertainment, club membership, shopping, sports), interests (family, home, job, community, recreation, fashion, food, media, achievements) and opinions (social issues, politics, business, education, future, culture) (Wells, et al., p138, Table 5.3). **Lifestyle advertising is the association of products and brands with these behaviors and/or traits, or the symbols or those behaviors or traits.**"*

6. La promotion utilise deux voies de persuasion: une voie centrale et une voie périphérique.
7. La voie centrale signifie qu'on présente aux consommateurs des arguments et une structure rationnelle qui ont pour but de les informer et de susciter chez eux une réflexion rationnelle.
8. La voie périphérique signifie qu'on présente le produit à l'aide d'images séduisantes, en utilisant par exemple des mannequins ou de jolis paysages. Ce type de promotion vise à susciter une réaction émotive chez le consommateur plutôt qu'une réaction réfléchie.

- **D-223 Comparing Paths to Persuasion - Richard W. Pollay:**

Comparing Paths to Persuasion		
	Information	Imagery
<i>Content</i>	<i>Facts, words, ideas</i>	<i>Pictures, attitudes, feelings</i>
<i>Processing</i>	<i>Analysis Cognitive Processing "Central"</i>	<i>Perception Associative Learning "Peripheral"</i>
<i>Viewer Involvement</i>	<i>High</i>	<i>Low</i>
<i>Effort</i>	<i>High: Effortful Thought</i>	<i>Low: Seen at a glance</i>
<i>Pace of Memory Build/Loss</i>	<i>Fast (if at all)</i>	<i>Slow/Gradual</i>
<i>Barriers to Influence</i>	<i>Perceptual filters Source Credibility Counter-argumentation</i>	<i>Few "automatic"</i>
<i>Popular Understanding</i>	<i>"I'll think about it."</i>	<i>"Seeing is believing"</i>
<i>Bottom Line</i>	<i>"Pictures speak louder than words." "A picture is worth a thousand words."</i>	

9. Pour être attrayantes, ces images représenteront un certain style de vie, autrement dit «the pattern of living that reflects how people spend their time, energy, and money»⁸.
10. La publicité «de style de vie» vise à créer une association entre les produits, leur marque de commerce et différents styles de vie auxquels les consommateurs s'identifieront.
- **D-193 (RJR-708) Lettre de Éric Blais – v.p. Director Strategic Planning de Harrold & Mirlin – à Mme Daphne Bykerk, Vice President Marketing RJR-Macdonald Inc., September 16, 1996 :**

p. 80154 2472:

"III- Brand advertising

*We are currently exploring various **themes and images which we believe our target will identify with** and view as unique to their world. Based on the discussions at our last meeting, we are looking for **themes and images which are dynamic and vibrant despite the restrictions on lifestyle advertising.**"*

11. La publicité «de style de vie» est aussi connue sous le vocable anglais de «image advertising» ou «transformational advertising».⁹

⁸ D-166 - Pollay, Richard, «How cigarette advertising work. Rich imagery and poor information», ¶3.3

⁹ D-166 - Pollay Richard, «How cigarette advertising work. Rich imagery and poor information», ¶3.4

12. La notion de publicité «de style de vie» n'est pas étrangère aux techniques de promotion des demanderesses : elle en est l'essence même.

- **D-222 ITL Marketing Plan – 1989 (ITL-431):**

p. 17538-17539:

“1989 MARKETING OBJECTIVES”

...

“9. Maximize the use of lifestyle/image oriented creative in all remaining media.”

13. La publicité «de style de vie» cherche à atteindre son public cible à travers l'émotion qu'elle dégage.

- **D-166 Pollay, Richard, « How cigarette advertising work. Rich imagery and poor information:**

p. 8:

“Marlboro’s “repositioning” from a woman’s cigarette [“Mild as May”] to a man’s smoke provided these packaging specifications, among others:

*“It should be popular in its approach, have strong masculine appeal ... and be modern in its feeling, with no phoney old world symbols of class or quality. Its modernism should be broadly popular – nothing avant-garde, yet nothing condescending. ... Before a Marlboro package design was decided on, more than 120 different additional superogatory designs were created, rendered, and researched. **They were tested for eye movement, for associated characteristics, for emotional impact,** for every attribute within the power of Vienna to define of invent.”*

- **ED-180 : Froese, B., Marketing of Tobacco Products :**

p. 36:

*“3. Motivation with psychological appeals. **This type of ad uses emotional appeals. It tries to enhance the appeal of the product by attaching pleasant emotional connotation to it.** The ad creates a mood. Selling points are then both explicit and implicit. Cosmetic, cigarette, and beer and liquor products are heavy users of this approach.”*

14. La publicité «de style de vie» est conçue pour éveiller une émotion spécifique chez le consommateur.

15. Cette émotion est voulue, calculée et mesurée.

- **RF-37 (RBH-3829) Memo from J. Wilson to J. Feeny re: Print advertising for Viscount 1 Ultra Mild, September 26, 1996**

p. 10596:

“EMOTIONAL COMMUNICATION

- *Target segments indicate packaging should leverage motivations of Well Being and Calming as well as Moderate, Informed, and Considerate.”*

- **D-189 (RBH-3804) – Bryan Nykoliation - Canadian Classics FY 96-97**

p. 9563:

“CANADIAN Classics

<i>Avenue #2 – Emotional-based</i>

Current campaign utilizes humour and within communicating Canadian Classics’ core proposition.

Consider to use of different types of emotion to extol Canadian Classics core proposition amongst the consumer target.

- *irony*
- *satire*
- *cynicism*
- *vanity*
- *etc.”*

p. 9685:

“V. *Presentation of the campaigns: Image/print* (60min.)
(110 min.)

A. *For each campaign (consider showing all pieces for ea. at a time)*

1. *PAD; PRIOR TO TALKING: Regarding CC, more than anything, what did the advert want you to believe about the product?*

That is, what is the no. 1 reason they want you to identify as the reason to associate with this product. Be specific.

2. *Round the table on replies to the above.*
3. *General reactions?*
4. ***Probe for rational takeaway & emotional response.***
5. *Describe the key attributes of the product.*
6. *Describe the key attributes of the image/moose.*

B. *Focus on specific executions in each campaign*

1. *Group sort: most appealing to least*
2. *Discuss each, esp. rationale for the sort order."*

- **D-184 Project Print ads – Topline Report – prepared for RJR MacDonald Inc. May 21st, 1996 (RJR-477)**

p. 80150 2042:

"2.00 FINDINGS

1. *The overall impression the group of ads gave was very positive. Almost without exception, consumers noticed the difference between this advertising and the way cigarette advertising has typically been done. They noticed a change not only in style but in the attitude being portrayed. Respondents described this style to be:*

- *"fun"*
- *"modern"*
- *"light-hearted"*
- *"not as serious as other cigarette advertisements"*
- *"daring"*
- *"different, more exciting, not boring"*

The underlying attitude reflected in this series is based on:

- *taking oneself less seriously, being more carefree, and a little daring*
- *projecting a unique character, positive self-esteem, and the ability to make your own choices*

*The move away from real people, "the tough man or beautiful women" helps encourage this new attitude by **focusing on the smoking experience itself in a unique, bold, and guilt-free way.***

- **JPB-94 (ITL 785) Presentation of competitive Advertising Analysis (Project Nike):**

p. 25715:

"WHAT WE THINK THEY'RE TRYING TO DO

Discipline: always one message, big logo, outdoorsy.

Focused on American frontier values (cowboy, last free man).

Logo and name are so well established that some executions don't even show human beings.

The ads make the brand look big.

Implicitly communicates independence, self-reliance, inner-confidence, ruggedness, a certain emotional toughness.

Rarely is product shown in the ads. We don't feel they need to show products and have already gone far beyond that.

We think that logo is so strong that it could live on its own, without the cowboy and it would probably still carry Marlboro positioning.

High standards of quality in every execution.”

- **D-204 (RJR-306) RJR MacDonald Inc. Export ‘A’ Brand Positioning – June 24, 1996:**

p. 80153 1136:

“POSITIONING

To smokers 19 to 34 years old, Export ‘A’ is the real cigarette with the satisfying flavour that lets them express confidence and individuality.

TARGET GROUP:

Smokers 19-34 years old with primary emphasis against 19-24’s; 60/40 male/female skew; moderate income and education.

PROMISE:

TANGIBLE BENEFIT: Export ‘A’ is the real cigarette with the satisfying flavour.

EMOTIONAL BENEFIT: Export ‘A’ lets them express confidence and individuality.”

16. Les demandereses font des recherches sur les habitudes de vie des consommateurs, sur leurs goûts, etc. Ces recherches, qui n’ont rien à voir avec le produit promu, ont simplement pour but de rendre la publicité plus attrayante, plus « lifestyle ».

- **D-236 (RBH-4100) Project Apollo, A Qualitative Study of Opportunities in the YAM Segment – Spring 1999 – Prepared for Rothmans, Benson & Hedges:**

p. 2:

“OBJECTIVES

The overall purpose of Project Apollo was to better understand the young adult market (YAM) and to provide clear insights into how to increase share within the 19 to 24 year old segment. Specific objectives were identified as follows...

Understand YAM smokers in terms of their values, desires, role models and self image including their expression, in short their “spirit”

Assess competitive brand equities and/or weaknesses.

Assess how well current brands echo a young adult spirit.

Identify positioning opportunities for RBH’s existing brands and potential new or modified entries.”

p. 3

“THE PROCESS

***Each session began with a general discussion surrounding respondents’ general attitudes and lifestyles.** Issues ranged from the specific (preferences*

in beverages, clothing, music, leisure activities) to quite general (the role of work/school, fantasy travel etc.).”

p. 4

“HIGHLIGHTS & CONCLUSIONS

Project Apollo involved the assessment of a wide range of consumer attitudes, theoretical concepts and specific product innovations not all of which are addressed in this section (see report body for details).

THE YAM SEGMENT

YAM members are in a state of transition from youth to adulthood and they are consciously committed to the process. They want to be ... and be seen as ... and be treated as adults. They are shocked by the economic realities of independence but they want to make and pay their own way.

17. Les publicités qui véhiculent une image produisent un effet plus grand chez les jeunes.

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138) :**

p. 3780:

“Judgementally it is believed that imagery plays an important role among the 18-24, is somewhat important among the 25-39 and seems less important among the 40-69.”

p. 3861:

“It is essential to make in-roads among younger smokers (18-39) to maximize the imagery benefit of the sponsorship. Importantly, these smokers are more influenced by the imagery as well as representing better switching opportunities.”

- **D-178 RJR Macdonald Inc. Export ‘A’ Franchise Advertising Strategy Recommendations, December 12th, 1995 (RJR-1418) :**

p. 80154 2419:

“Consistent with their overall positive response to marketing-communications, the 19-24 age group responds best to “advertising” for cigarettes. – 1985 U&A Study”

18. Les demanderesses savent reconnaître les éléments de style de vie dans une publicité.

- **D-209 (RBH-3818) Belvedere – An Eye on the Past – History of the Cigarette Trade – Mark 1957 to 1996, January 1997**

p. 3:

*“Instant gifts replaced cash giveaways in the promotions game and offered gifts ranging from a bathroom scale to a Ford Mustang (7). **A new advertising campaign was developed using lifestyle imagery** that implied that the people in the ads did not smoke Belvedere because of Instant Gifts. The tag line of, “Some people smoke Belvedere just because they like them”(8) helped reinforce this notion and was used in various forms until 1972.”*

Fig.8:

3

you can win a set of DiRizzo Military Hair Brushes with a Belvedere Instant Gift Coupon*



but some people smoke Belvedere just because they like them

TIME MAGAZINE, APRIL 16, 1965



Winners will find the coupon right in the pack
now in full king size, too

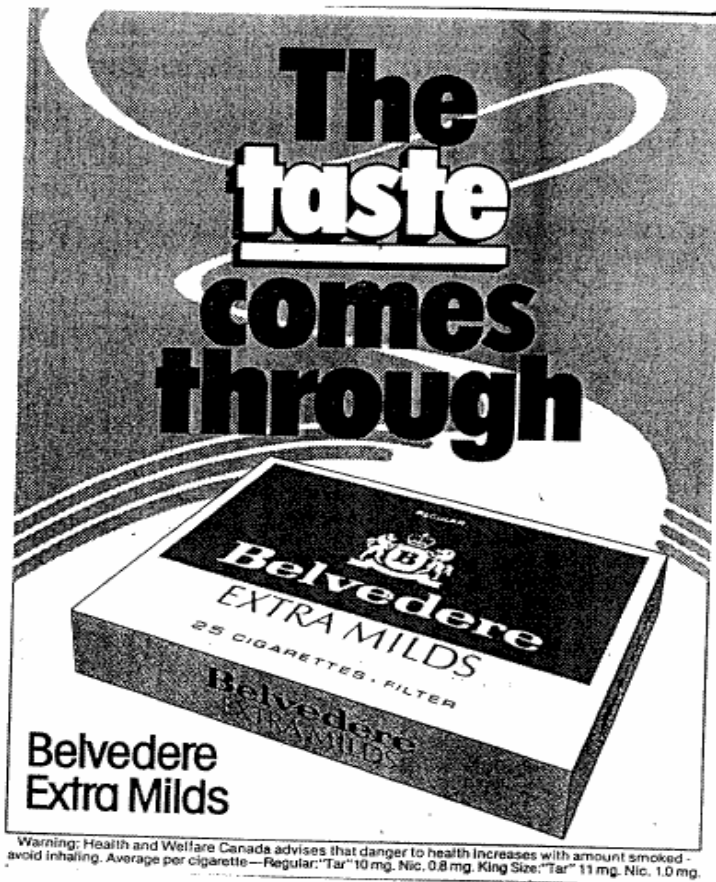
*What is a Belvedere Instant Gift Coupon? It's a coupon put inside certain Belvedere packs worth valuable free gifts like Kodak Cameras, bathroom scales, complete Frigidaire Kitchens, electric toothbrushes, or maybe even a new Ford Mustang. Who's going to win? About 1 out of 9 Belvedere smokers this year. It's that simple. Better than saving stamps, wouldn't you say? And besides, no gluey aftertaste.

(1)

p. 6:

"In early 1979, BXM advertising used non-lifestyle executions. They prominently showed the pack with the headline, "The taste comes through" (26) In late summer, the WILD MILD campaign was resurrected for BXM. The ads used a scripted font and different matting from the original and Quebec ads used the term GRISANTE! (a "blue-er" collar term meaning: thrilling, intoxicating, usually associated with speed). (28) Tag lines were, "More flavour than you expect in a mild cigarette. Try them" and "Grisante, une cigarette douce? Bien plus que vous ne le pensez. Essayez-la!" All images were masculine and aggressive including a man on a dirt bike, a male water-skier, cigarette boats, and an Indy-style race car. These ads continued unabated until mild-1982."

Fig. 26:



The Chronicle Journal, April 6, 1979

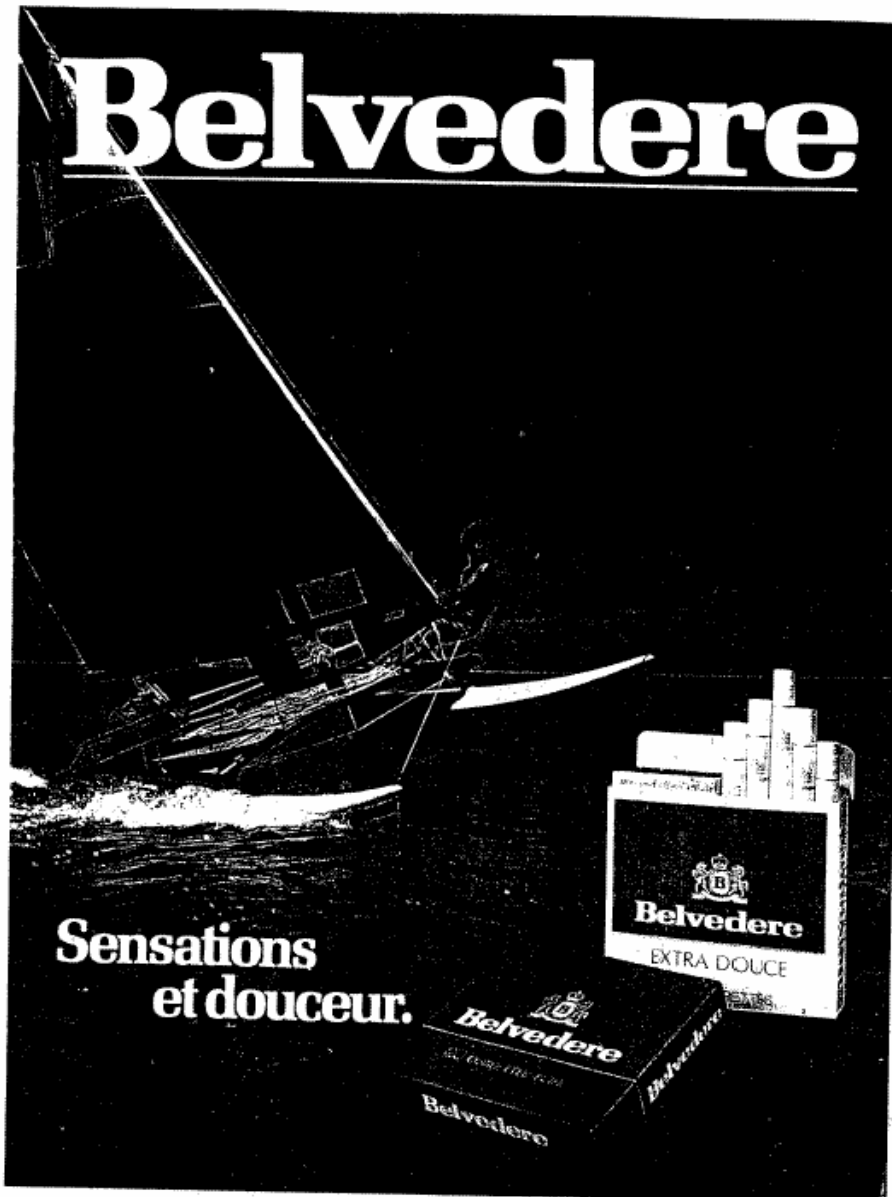
(26)

p. 7:

"1982-1989: Dual Pack / Lifestyle

Midway through 1982 Quebec received dual-pack advertising for the Parent and BXM. Lifestyle ads depicted men windsurfing or sailing catamarans with the bold heading, "Belvedere" and the tag line, "Sensations et douceur" (31) This ad was changed in 1983 to a non-lifestyle execution with the tag line, "Plus que la simple douceur." (32) Atlantic Canada received a similar treatment with the tag line, "More than just mildness." (33)

Fig. 31 :

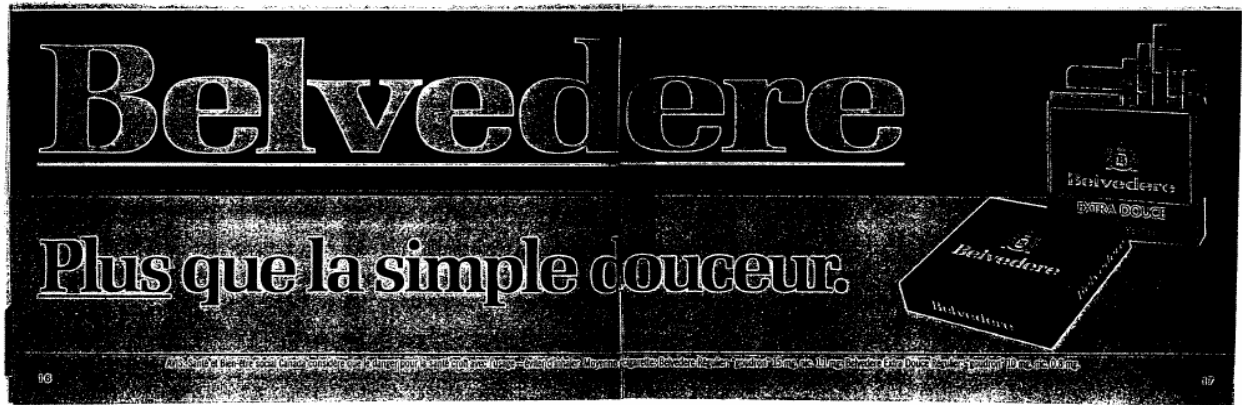


Avis: Santé et Bien-être social Canada considère que le danger pour la santé croît avec l'usage — éviter d'inhaler.
Moyenne par cigarette: Belvedere Régulier: "goudron" 15 mg, nic. 1.1 mg; Belvedere Extra Douce Régulier: "goudron" 10 mg, nic. 0.8 mg.

Le Bulletin des Agriculteurs; Octobre, 1982

(31)

Fig. 32 :



Telepresse; March 19, 1983

- **D-210 (RBH-2163) RBH – Matinée Trademark 1953-1995, April 16 1996:**

p. 6:

“In the years immediately following introduction, the brand made extensive use of lifestyle advertising that depicted couples in elegant settings⁽⁴⁾. This quickly evolved to a campaign known as “Matinée Moments”⁽⁵⁾ featuring couples sharing enjoyable moments in more accessible everyday situations.”

Fig. 4 :



Among all nights one is remembered for its glow of perfection

Matinée, too, has a way of impressing discerning people. Its classic tobaccos give the special quality they demand in a cigarette. The delightful mildness is Matinée's own, and the pure, white filter completes their enjoyment. That is why they smoke Matinée with the complete confidence they've found the finest.

A cigarette of elegance...
A filter of particular purity...



p. 11-12:

"The launch campaign was highly compressed. In newspaper they ran a **traditional pack execution**⁽⁴⁰⁾ and in magazines they dropped other Matinée advertising to accommodate **two lifestyle ads**, one showing a woman relaxing on a cottage veranda⁽⁴¹⁾ the other, a woman relaxing in a bathtub⁽⁴²⁾. The buy was deep, but time was too short to establish any brand affinity."

Fig. 40 :



WARNING: Health and Welfare Canada advises that danger to health increases with amount smoked - avoid inhaling.
Average per cigarette: Matinée Special Mild: King Size: 9 mg "tar", 0.9 mg nicotine; 100 mm: 10 mg "tar", 1.0 mg nicotine.

(40)

Fig. 41:

INTRODUCING *Matinée*
SPECIAL MILD

Matinée
SPECIAL MILD

smoothness makes it special.

WARNING: Health and Welfare Canada advises that danger to health increases with amount smoked—avoid inhaling.
Average per cigarette: Matinée Special Mild: King Size: 9 mg "tar", 0.9 mg nicotine; 100 mm: 10 mg "tar", 1.0 mg nicotine.

(41)

- **D-211 (RBH-3910) Rothmans Trade-mark 1957-1997:**

p. 11404:

*"In terms of lifestyle advertising, Rothmans imitated rather than initiated, as competitors such as **Player's had been using lifestyle advertising to transfer imagery onto their brands for years.** Only in 1983 did the first lifestyle advertisement for Rothmans King Size in 19 years appear, featuring a powerful sailing scene with the tagline, "Rothmans King Size – Really Satisfies" within the Rothmans lozenge⁽⁵³⁾. A later execution launched in 1985 used the same treatment, but replaced the lifestyle shot with an image of a moving Rothmans Porsche car ⁽⁵⁴⁾. The fact that this new lifestyle approach was coupled with Rothmans more traditional "World Leader"⁽⁵⁶⁾ approach, most likely diluted the impact of the "Gestalt". Furthermore, Rothmans communication became more dissonant when the brand continued to degrade Regular length, even after launching a Regular length product of its own⁽⁵⁸⁾."*

19. Une publicité peut être «lifestyle» même si aucune personne n'y figure.

- **D-216 Matinée Advertising – 1991 to 1997:**



Health Canada advises that smoking is addictive and causes lung cancer, emphysema and heart disease.

- **D-217 (ITL-181) Matinée Branded Advertising – Qualitative Research – October 1996:**

p. 19389:

“3. **IMAGE ORIENTED EXECUTIONS**

The four image oriented executions were always presented last to ensure that reactions to the product oriented executions were not influenced by them. The two that follow were most successful in communicating the Matinée positioning attributes.

14A – Bath Scene With Tulips

Reactions to this execution are largely consistent with previous research. **The bath scene is clearly a feminine one to which women relate.** The soft colours and the tulips are integral to this. Many approve the colour scheme of blue on the wall and in the tub against the brown/beige tones. Together with the sunshine coming in, there is an overall impression of brightness. And, the softness and femininity of the scene is right on track in terms of *Matinée* being perceived as a mild cigarette.

This image is also a strong expression of relaxation and self-indulgence to which women relate. It is an inviting and comfortable scenario where a woman can put aside her busy day to day activities and take time for herself.

The presence of the pack and the way in which it is displayed on an angle is also endorsed.

Perceived modernity is an area that is less clear cut. Although many were left with an overall impression of modernity, others felt that the style of bathtub along with the use of browns and beiges was somewhat old fashioned. The blue helps offset the concern about the brown tones but a modern-looking bathtub would presumably be more consistent with the objective.”

- D-218 (ITL-127) Du Maurier Advertising 1988-1997 :

26619/20x20 06/05/97 16:08 Page 2 (1.1)

du MAURIER
SMOOTH FLAVOUR, CLASSIC QUALITY.

Imperial Brands Ltd.

Health Canada advises that smoking is addictive and causes lung cancer, emphysema and heart disease.

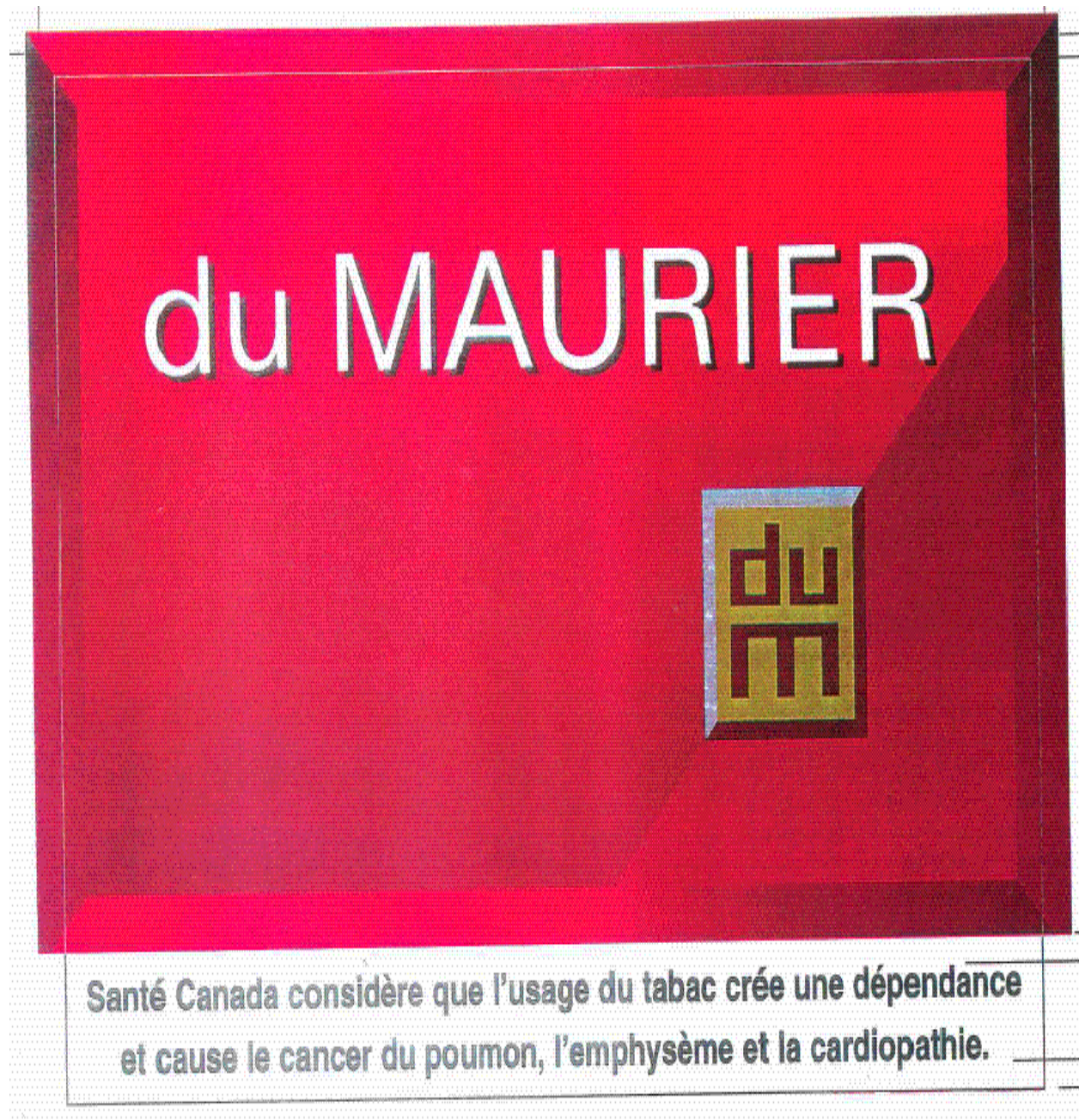
80% = 10% =
1,38" 1,38"

13"

La publicité «préférentielle de marque» :

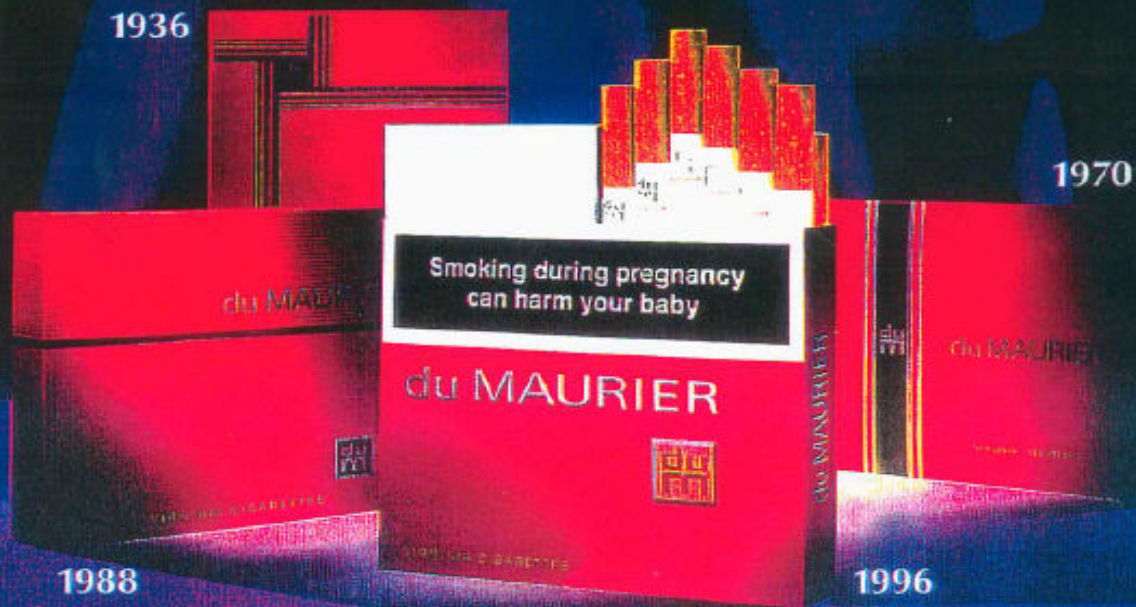
«il y a [la publicité] qui vise uniquement à promouvoir une marque plutôt qu'une autre par l'effet de la couleur, du design de l'emballage et de sa présentation;»¹⁰

- **D-218 (ITL-127) Du Maurier Advertising 1988-1997 :**



¹⁰ P.G.C. c. RJR MacDonald c. Canada (P.G.), [1993] R.J.Q. 375, M. le j. Brossard, p. 437

The Evolution of Quality



du MAURIER
SMOOTH FLAVOUR, CLASSIC QUALITY.

Health Canada advises that smoking is addictive and causes lung cancer, emphysema and heart disease.

Agence: Armada Bates
Client: Du Maurier
Sujet: The evolution of quality
Format: Pleine page
dossier: 90-2005
d'annonce: DUB-98-01E
Couleur: 4 couleurs
Kennex: 40800
Publication: Time magazine

3. Les jeunes

«En particulier, on peut tirer de ces documents les conclusions générales suivantes: les compagnies de tabac s'inquiètent du rétrécissement du marché et reconnaissent qu'une [TRADUCTION] «initiative de promotion» est nécessaire pour maintenir la taille de l'ensemble du marché. [L]es compagnies comprennent que, pour maintenir le nombre total des fumeurs, elles doivent rassurer les fumeurs actuels et rendre leurs produits attrayants pour les jeunes et les non-fumeurs ». ¹¹

«[I]l est possible également de dégager de ces documents de commercialisation la reconnaissance que les compagnies de tabac doivent cibler les jeunes si elles souhaitent garder le marché des produits du tabac à sa taille actuelle. Je trouve révélateur que, dans ces documents, les stratégies visant à attirer les jeunes sont habituellement accompagnées par de longues discussions sur l'«image» du produit.. »

...

Il est encore plus évident que ces compagnies sont conscientes de la nécessité d'attirer les jeunes [...]

...

Fait important, pour certaines marques, non seulement les groupes cibles comprennent les adolescents qui n'ont que 12 ans, mais, dans la pondération, les jeunes de 12 à 17 ans ont une importance beaucoup plus grande que les groupes de personnes plus âgées.

...

Les documents de commercialisation internes déposés lors du procès donnent fortement à entendre que les compagnies de tabac perçoivent la publicité comme la pierre angulaire de leur stratégie visant à rassurer les fumeurs actuels et à étendre le marché en attirant de nouveaux fumeurs, principalement chez les jeunes.»¹²

20. Les jeunes sont l'avenir de l'industrie du tabac.

- **D-166 Pollay, Richard, « How cigarette advertising work. Rich imagery and poor information:**

p. 16:

Starters, whose brand loyal patronage might be enjoyed for many years to come once they settle on a preferred brand, are therefore seen as a critical success factor.

¹¹ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 88

¹² RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 91-92

Il.T.L. has always focused its efforts on new smokers believing that early perceptions tend to stay with them throughout their lives. I.T.L. clearly dominates the young adult market today and stands to prosper as these smokers age and as it maintains its highly favorable youthful preference.® (p. 201825039, File # HT 0344, Box # GU 0200, HC Request #290, 1989)”

- **D-170 Strategic Plan 1997-1998, Sales & Marketing (RBH-1134):**

p. 2757:

“although the key 15-19 age group is a must for RBH there are other bigger volume groups that we cannot ignore”

- **D-179 Imperial Tobacco Limited - Switching Analysis, August 1991 :**

p. 465043210

*“Although switchers of all ages represent opportunity for new business, **targeting young consumers continues to be a strategic importance in terms of future growth** because of their switching behaviour, twice the rate of total smokers.”*

- **D-173 (ITL-574) Competitor analysis – Imperial Tobacco – March 4th, 1994**

p. 18523:

- *“Initiating new sponsorship activities*
- *The Formula One racing program leverages Rothmans International PLC marketing dollar*
- *“Craven A Country Music” and “Belvedere Rock” are **directed at the younger consumer (ITL’s key consumer target)**”*

- **D-174 (RBH 1146) Strategic Plan 1996-1997, Sales and Marketing – October 1995:**

p. 5672:

“IMPERIAL TOBACCO

STRENGTHS

...

- *Owns the 18-24 age segment with 81% of consumers in this segment smoking an Imperial brand.*
- ***Owns the 14-17 age segment** with over 90% of consumers smoking du Maurier or Player’s.”*

- **D-227 (RJR-342) Export Source of Business / Product – Review:**

p. 80090 8826:

“EXPORT SOURCE OF BUSINESS/PRODUCT REVIEW

SOURCE OF BUSINESS

THERE ARE TWO MAJOR SOURCES OF SMOKERS: **NEW SMOKERS** AND **BRAND SWITCHERS.**"

- **D-228 (RJR-1379) Target Store Marketing – Central Region Project:**

p. 80135 2866G:

"SOURCES OF NEWS BUSINESS

- 18 – 24 YEAR OLD POPULATION (**STARTER SMOKERS**)
- NEW CANADIANS
- BRAND SWITCHERS"

21. L'initiation au tabagisme commence à l'adolescence.

- **D-201 Johnston & Ass. Segmentation - Phase I Focus Group Research, february 1991 (RBH-2234) :**

p. 27365:

"THE ENTER/EXIT SYNDROME

...

Most indicated that they had their first cigarette between the ages of 10-15 and comments suggest that the initial experience may be slightly earlier in Quebec than in Ontario. The first cigarettes were occasionally supplied by an older friend or relative but usually by members of their peer group."

- **D-171 Marketing Research Debrief – August 1994, An Investigation of factors contribution to the growth of du Maurier (RJR-88):**

p. 80093 9359 – 80093 9360:

"Introduction to Smoking

Circumstances

- *Majority started smoking in a social setting of some kind, but a few first experimented on their own*
- **Most claimed that they started when they were around 14 to 16 years of age. A few (more often males) started as young as 10**
- *Many grew up in households with parents who smoke. This contributed to easy access*
- *Initially, usage was limited to weekends and when drinking*
- *Few reported difficulty obtaining cigarettes*

Motivation

- *Motivation to try smoking related to one or more of the following factors*

<i>Experimentation</i>	<ul style="list-style-type: none"> - <i>curiosity to see what it was about</i> - <i>perceived as something others appear to get pleasure from (like drinking)</i>
Considered Normal	<ul style="list-style-type: none"> - <i>feel that smoking is a normal behaviour for adults (parents) and that they had reached an age when they can start to participate</i>
<i>Contributes to Self Esteem</i>	<ul style="list-style-type: none"> - <i>smoking looks cool (mature, sophisticated, in control)</i>
<i>Trying to Fit In</i>	<ul style="list-style-type: none"> - <i>desire to participate in a group behaviour</i> - <i>share an experience with a close friend</i> - <i>feels socially awkward and smoking gives you something to do with your hands</i>
<i>Coping</i>	<ul style="list-style-type: none"> - <i>to pass the time / relieve boredom (mentioned by those who started in late teens early twenties)</i> - <i>feeling that it helps deal with stress</i>
Rebellion	<ul style="list-style-type: none"> - <i>doing something that parents / authority figures wouldn't approve</i> - <i>image with peer group as a renegade, daring, anti-establishment"</i>

- **D-173 (ITL-574) Competitor analysis – Imperial Tobacco – March 4th, 1994:**

p. 18515:

“Why People Smoke

Young Adults/Starters

- *Image*
 - *Rebel*
 - *Adult symbol*
 - *Worldly*
- *Thrill seeking*
- *Peer pressure*
- *Self-confidence*
- *Curiosity / experimentation*
- *Arousal*

Adult Smokers

- *Enjoyment*
- *Relaxation*
- *Oral stimulation*

- *Tactile stimulation*

Addicted Smokers

- *Nicotine addiction*
 - *Compulsive or obsessive behaviour*
- **D-207 (RJR-224) Research Report – A Qualitative Exploration to Reposition Export ‘A’ with Young Smokers (19 to 24) December 1995:**

p. 80154 1531:

“Smoking

Reasons For Starting

Most of the smokers reported first experimenting with tobacco when they were around 14 years of age. There were a few who started at an even younger age and others who did not try smoking until they were nearly 20. Respondents who did not become smokers until they were around 20 stated that they started for one of the following two reasons:”

p. 80154 1534:

“Rebellious Toward Authority

The reason for starting to smoke was simply a statement against authority. Specifically, by starting to smoke they were being contrary, thereby demonstrating independence of thought and behaviour.

“I started smoking when my dad wasn’t around. I was by myself 24 hours a day. I don’t know why I started. It was probably to make my dad mad. Everything I did was to achieve that rebellion. “

“It was a form of rebellion. I was getting into trouble and I was rebelling.”

“It felt good to be bad and sneak around behind your parents’ back, hiding in alleyways to smoke a cigarette. I hid them under rocks. I wouldn’t even take them home. It was fun and something to do. I still don’t like smoking in front of my family.”

“I started smoking on a holiday when I was 15. I did it to rebel, to be a brat. I was rebelling against my very conservative parents.”

22. Les jeunes sont influencés par leurs pairs. La promotion des produits du tabac vise les individus susceptibles d’avoir de l’ascendant sur les jeunes.

- **D-221 (ITL-317) Project Spur – Preliminary Qualitative Investigation final Report – ITL, May 26 1988:**

p. 16809:

*“To lend strength to the argument put forth above it might be useful to remind ourselves that, particularly in this age group, imagery is not represented in a direct relationship between the brand and the individual smoker. **Imagery must***

be reinforced by the peer group to gain legitimacy. A brand's particular imagery becomes relevant only if the peer group sanctions it."

- **D-175 Export 'A' family – Brand Positioning Statement (RJR-1339) October 5th, 1989 (D-175):**

p. 80118 3931:

"1. WHO ARE WE TALKING TO (CONT'D)
PSYCHOGRAPHICS

*Young adults who are currently in the process of shaping who they are and how they want to be perceived, while they believe themselves to be independent, **peer group acceptance is very important to them** and aids in defining who they are. As young adults they look for symbols that will help reinforce their maturity, independence and perceived individuality."*

- **D-201 Johnston & Ass. Segmentation - Phase I Focus Group Research, February 1991 (RBH-2234) :**

p. 27365:

"THE ENTER/EXIT SYNDROME
ENTRY

*Recall of cigarette adoption among respondents suggests that **peer pressure and image are/were the key motivational factors**. Respondents acknowledged a desire to look "cool", appear older/more sophisticated and feel part of a group. This motivation appears to have been strong since most indicated that the first experience was highly negative (physical reaction) and that the gradual process of becoming a smoker took two or more years.*

***Most indicated that they had their first cigarette between the ages of 10-15** and comments suggest that the initial experience may be slightly earlier in Quebec than in Ontario. The first cigarettes were occasionally supplied by an older friend or relative but usually by members of their peer group."*

- **D-171 Marketing Research Debrief – August 1994, An Investigation of factors contribution to the growth of du Maurier (RJR-88):**

p. 80093 9359 – 80093 9360:

"Overall Conclusion and Recommendation

When young consumers first experiment with smoking they are prone to select a brand which they perceive as having an image which is:

"mainstream, youthful"

- **D-205 (RJR-418) RJR MacDonald Inc. Export 'A' 1997 Marketing Communications Plan, October 16, 1996:**

p. 80151 0574:

“4.5 Sponsorship Strategies

The role of sponsorship is to support the brand’s positioning by connecting with activities which reflect the expression of confidence and individuality represented by the brand.

In order to communicate Export ‘A’s association with individual sponsorships the minimum amount possible will be allocated to sponsorship operations in order to retain the maximum amount for working media.

All spending will be aligned relative to regional priorities.

Sponsorship will also be used to create a presence for the brand amongst “Influencers” in the category.”

- **D-206 Marketing Research Report – An Evaluation of Alternative Advertising Campaigns for Export ‘A’, April 1996:**

p. 80150 3545 / 80150 3456:

“Go Your Own Way

This campaign establishes the Export “A” Light smoker as an individual who is independent-minded, unconventional and rebellious. These are qualities which the target audience judge to be reflective of the mindset of young adults, such as themselves.

*The most serious potential risk with this campaign is that this perspective is not a mainstream positioning. There is a danger that the product and user imagery will entrench the brand as an alternative to popular brands. **For new smokers, fitting in is an important consideration.** Consequently, these new smokers gravitate to brand alternatives they consider to be popular with their peer group.”*

23. Les jeunes sont désignés, dans les documents de l’industrie, sous divers vocables.

Young Adult Market:

- **D-236 (RBH-4100) Project Apollo, A Qualitative Study of Opportunities in the YAM Segment – Spring 1999 – Prepared for Rothmans, Benson & Hedges:**

p. 4:

“HIGHLIGHTS & CONCLUSIONS

Project Apollo involved the assessment of a wide range of consumer attitudes, theoretical concepts and specific product innovations ... not all of which are addressed in this section (see report body for details).

THE YAM SEGMENT

YAM members are in a state of transition from youth to adulthood and they are consciously committed to the process. They want to be ... and be seen as ... and be treated as adults. They are shocked by the economic realities of independence but they want to make and pay their own way.”

New smokers:

- **D-226 (JTI-1678) RJR MacDonald Inc.:**

p. 80108 9826:

“New smokers are critical to continued growth in the market, and therefore RJR-MI must concentrate its efforts on the 18 to 24 year-old market, which strongly favours convenience type outlets, and the ten milligram and above portion of the tar spectrum.”

Young smokers:

- **D-193 (RJR-708) Lettre de Éric Blais – v.p. Director Strategic Planning de Harrold & Mirlin – à Mme Daphne Bykerk, Vice President Marketing RJR-Macdonald Inc., September 16, 1996:**

p. 80154 2470

I- Communicating the positioning in Québec

*Findings from the qualitative positioning research conducted last May suggested that, although there are clear differences in terms of Export ‘A’s brand perceptions between English Canada and Québec, there are consistent core elements of the brand equity in both markets. **These core elements and the desire to appeal to young smokers** led to the positioning of Export ‘A’ as the real cigarette with the satisfying flavour that lets them express confidence and individuality.”*

The key 15-19 age group:

- **D-170 Strategic Plan 1997-1998, Sales & Marketing (RBH-1134):**

p. 2757:

*“although **the key 15-19 age group is a must for RBH** there are other bigger volume groups that we cannot ignore”*

Starter smokers:

- **D-228 (RJR-1379) – Target Store Marketing – Central Region Project:**

p. 80135 2866G:

“Sources of New Business

*0 18 – 24 Year Old Population (**Starter Smokers**)*
0 New Canadians
0 Brand Switchers”

Entry smokers:

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 3781:

“Implications

- *It is important to further our knowledge of:*
- *The switching gates(why and when they switch)*
- *The rationale for choosing such and such brand by age group by region*
- *The **entry smokers’ segment** to better understand their expectation therefore predict their future choice of brand”*

24. Les demandereses mettent sur le marché des marques de cigarettes qui exploitent la psychologie des adolescents en associant le produit des images attrayantes qui véhiculent l'indépendance, la vitalité, la masculinité et la rébellion.

- **D-172 Project Plus/Minus - May 7, 1982 (AG-217):**

Study highlights:

“STUDY HIGHLIGHTS

- 1) *Juvenile dabblings with smoking take place mostly for reasons of seeking to people forbidden fruit, plus **an element of rebelliousness.**”*

- **D-182 Export Family Strategy document, March 22, 1982:**

p. 80005 7299:

*“It is hypothesized that very young starter smokers choose Export “A” because it provides them with an instant badge of masculinity, **appeals to their rebellious nature** and establishes their position amongst their peers. As they mature, they gain more confidence through experience (moved from the educational environment into the work force) acquire other symbols of their masculinity (cars, clothing, etc.) and strive for social and peer group acceptance.”*

p. 80005 7302:

“The Export U & A Study clearly shows that the parent brand is the entry brand in which new smokers enter the cigarette category (See Exhibit X).

Since we cannot direct our media or our creative to starter smokers, the optimal target group is young adult smokers between the ages of 18-24. It is judgementally felt that this is the age group when brand family loyalties start to solidify. If the Export Family can satisfy their psychological needs at this time, we are in a stronger position to retain them through their future years.

The high penetration of Export "A", Export "A" Mild/Light in the male 18-24 year old sector indicates that both full-flavour and lighter strength line extensions have appeal to this target group.

The key influencing factor to initial brand selection amongst new smokers appears to be conformity to what their friends smoke. (See Exhibit X). While Export "A" appears to be chosen as a first brand based on this key influencing factor, **we must strive for peer group acceptability throughout the maturing process, for all the Export brands.**"

- **D-183 (RJR-721) Export 'A' – 1997 Communications Plan, September 9th, 1996 – RJR MacDonald:**

p. 80153 1139:

"Target Group Definition

Smokers 19 to 34 years old with a primary emphasis on 19-24's, 60/40 male/female skew, moderate income and education.

*Young adults who are currently in the process of shaping who they are and how they want to be perceived. While they believe they are independent, peer group acceptance is still important to them and aids in defining who they are. **As young adults, they look for symbols that will help reinforce their maturity, independence and perceived individuality.***

Core motivations for smoking centre around two distinct areas: rebelliousness; "I do what I want, I make my own choices, no one tells me what to do" and a way to fit in; "it's cool/grown up to smoke, it's a statement of my class/status/sense of quality. **Export 'A' smokers are more likely to fall in the "rebelliousness" camp.** "

- **D-204 (RJR-306) RJR MacDonald Inc. Export 'A' Brand Positioning – June 24, 1996:**

p. 80153 1131:

"PSYCHOGRAPHICS:

*Young adults who are currently in the process of shaping who they are and how they want to be perceived. While they believe themselves to be independent, peer group acceptance is still important to them and aids in defining who they are. **As young adults they look for symbols that will help reinforce their maturity, independence and perceived individuality.***

*Core motivations for smoking seem to centre around two distinct areas: **rebelliousness** – "I do what I want"; "I make my own choices"; "no one tells me what to do"; "I'm tough, I can handle it" – and way to fit in/aspirational: "it's cool/grown up to smoke"; it's a statement of my class/status/sense of quality.*

Export 'A' users, and to a lesser degree Player's smokers, appear to fall in the "rebelliousness" camp, while du Maurier smokers clearly fall into that of "way to fit in/aspirational" They consider themselves to be "real" ;people, not trendy and flashy but down to earth, enjoying life's simple pleasure: a night out with friends at a local bar, escaping outdoors on the weekends."

- **D-206 Marketing Research Report – An Evaluation of Alternative Advertising Campaigns for Export ‘A’, April 1996:**

p. 80150 3535:

“Go Your Own Way (Fais a ta tete) [sic]

These executions encourage the smoker to defy the rules and pressures of society and do what they really want to do. Smoking Export ‘A’ Light is promoted as being associated with other defiant pleasures. The focus here appeals to one’s sense of individualism pleasures. The focus here appeals to one’s sense of individualism and maybe even rebellious nature.”

- **RF-75 (RBH-4125) Development of new product ideas for Project 20:**

“Rebel with a Cause

Clearly, there is an opportunity to appeal to the defiant nature of young smokers today who gather together in “smoking pits” at schools or smoking sections at bars.

A cigarette brand that portrays an “in your face” attitude as in the Rebel idea where consumers can light up a fake dollar bill (the cigarette paper) and carry a black and silver box that has a hologram appeals to this target’s expression of defiance.

Participants also developed an idea to address the black and white warning labels. One idea was to work with these labels by creating brand names that respond to individual warning statements, for example, the product name of So What responds to the “Smoking Can Kill You” warning. Here, committed smokers buck the system and do what they most want to do: smoke.

Some suggested that these “rebel” product ideas have attention-getting aromas such as hashish, marijuana or clove. In order to raise interest, these products would only be offered through the “black market” thus making their acquisition more desirable than that of a regular box of cigarettes. Ideas like this would appeal to the “cool”, “trendy”, nature of our target.”

25. Les demanderesse, par la promotion de leurs produits, cherchent à déculpabiliser les jeunes fumeurs.

- **D-178 RJR Macdonald inc. Export ‘A’ Franchise Advertising Strategy Recommendations, December 12th, 1995 (RJR-1418):**

p. 80154 2428:

“Strategy #4: Nobody tells an Export “A” smoker what to do	
For people who smoke when everyone tells them not to. Who are their own people, guided by their own internal motivations and who go against the trends...	Export “A” Light lets them enhance the pleasure in their lives.
<p>Rationale:</p> <p>This approach helps smokers deal with the social pressures against smoking and helps them rationalize their decision. Smokers like to smoke yet they hate being smokers. They are caught between the internal motivations to smoke and the external pressure no to.</p> <p>It capitalizes on the target’s sense of being independent-minded and their high level of confidence to position Export “A” smokers as their own people who aren’t influenced by others. This is particularly meaningful for our target since many they feel that having listened to the previous generation has not necessarily helped them. It also reflects one of Dr. Shore’s individuality attitude statement: “It’s a free country – get off my back!”</p>	

- **D-184 Project Print ads – Topline Report – prepared for RJR MacDonald Inc. May 21st, 1996 (RJR-477):**

p. 80150 2042:

“2.00 FINDINGS

1. The overall impression the group of ads gave was very positive. Almost without exception, consumers noticed the difference between this advertising and the way cigarette advertising has typically been done. They noticed a change not only in style but in the attitude being portrayed. Respondents described this style to be:

- “fun”
- “modern”
- “light-hearted”
- “not as serious as other cigarette advertisements”
- “daring”
- “different, more exciting, not boring”

The underlying attitude reflected in this series is based on:

- taking oneself less seriously, being more carefree, and a little daring
- projecting a unique character, positive self-esteem, and the ability to make your own choices

The move away from real people, “the tough man or beautiful women” helps encourage this new attitude by **focusing on the smoking experience itself in a unique, bold, and guilt-free way.**”

26. Les demandereses ciblent les jeunes en associant leurs marques à des images attrayantes («appealing») pour cette clientèle.

- **D-191B Canadian Cigarette Brand Images – 1990s**

"CANADIAN CIGARETTE BRAND IMAGES – 1990S <i>from industry document descriptions of brand image, brand position, brand personality, brand character, etc.</i>			
Players	Export A	Can. Classics	Belvedere
<i>Independence</i>	<i>Independent</i>	<i>Independent</i>	<i>Young, youthful</i>
<i>Freedom</i>	<i>Individuality</i>	<i>Strong, proud</i>	<i>Cool, hip</i>
<i>Self-confidence</i>	<i>Confidence</i>	<i>Sociable</i>	<i>Sociable</i>
<i>Self-reliance</i>	<i>Adventurous</i>	<i>Adventurous</i>	<i>Active</i>
<i>Youthful</i>	<i>Exciting</i>	<i>Excitement</i>	<i>Energetic</i>
<i>Modern</i>	<i>Up-t-o-date</i>	<i>Young</i>	<i>Fun</i>
<i>Masculine</i>	<i>Masculinity</i>	<i>Outdoorsy</i>	<i>Unpretentious</i>
	<i>Virility</i>	<i>Natural</i>	<i>Down-to-earth</i>
	<i>Rebellious</i>		<i>Not rebel</i>

27. La promotion de la cigarette Player's joue sur ces attributs.

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176)**

p. 13870:

"1992 Marketing Plans

Players Trademark

Key Changes to Plan

Positioning Strategies

*Reflect masculinity in a manner that differentiates the trademark from Export through youthful, self expression of **freedom** and **independence** and **self reliance**, inner **confidence**."*

- **D-198 Sponsorships – Communications Plans – 1994 – ITL (ITL-178)**

p. 14439:

"PLAYER'S LTD.

OBJECTIVE:

*To communicate that Player's Ltd. has a tradition and heritage of being primarily associated with popular masculine activities through an expression of **youthfulness**, **freedom**, **independence** and **self-confidence** relevant to young males.*

TARGET GROUP: - Males 18-25"

p. 14440:

"PLAYER'S LTD.

CREATIVE STRATEGIES:

Direct Player's Ltd. imagery communications towards the Company's involvement in the Indy Car World Series:

MASCULINITY

YOUTHFULNESS

FREEDOM

INDEPENDENCE

TRADITION"

- **D-197 1993 Communications Plans – ITL (ITL-179):**

p. 14654:

"In image terms, racing leans heavily in the direction of being masculine, youthful, exciting, and connoting independence. It doesn't convey affluence in the way some other activities did, and was unpretentious.

These qualities make racing a nearly ideal match with Player's"

28. La promotion de la cigarette Export 'A' se fonde sur ces mêmes attributs, qui sont séduisants pour les jeunes.

- **D-193 (RJR-708) Lettre de Éric Blais – v.p. Director Strategic Planning de Harrold & Mirlin – à Mme Daphne Bykerk, Vice President Marketing RJR-Macdonald Inc., September 16, 1996:**

p. 80154 2470:

*"I- **Communicating the positioning in Québec***

*Findings from the qualitative positioning research conducted last May suggested that, although there are clear differences in terms of Export 'A's brand perceptions between English Canada and Québec, there are consistent core elements of the brand equity in both markets. These core elements and the **desire to appeal to young smokers** led to the positioning of Export 'A' as the real cigarette with the satisfying flavour that lets them express confidence and individuality."*

29. Belvedere exploite les mêmes éléments considérés attrayants.

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138)**

p. 3928:

*"b. **Sponsorship Provides***

Belvedere Ltd. Rock provides an association with a cultural tradition, Rock'n Roll music, that epitomizes youth, fun cool, hip and leading edge trends

Rock music has been the voice of the younger generation for decades, talking with them, to them and for them

Rock provides unlimited opportunities for brand imagery, association and direct contact with our target audience in a uniquely Canadian format”

p. 3929:

“Concert tours provide a good opportunity for critical mass exposure,”

- **RF-22 (RBH-1130) 95/96 Marketing Plans:**

p. 2071:

“MARKETING STRATEGY

BASIC STANCE

Belvedere is the young, fun and sociable brand that offers smooth, full flavoured smoking satisfaction to contemporary young men and women.

TONE & MANNER

I am active, energetic and enjoy socializing with others but I am not a leader. Unpretentious and down-to-earth, I follow the trends but don't want to be labelled. Part of the young crowd, I'm not rebellious but resist being told who I am and what I want.”

- **D-190 MRD Library Qualitative Research Report for Rothman's Benson & Hedges re Belvedere Rock Sponsorship, April 1993 (RBH-2018):**

p. 11032:

“The image evoked by the sponsorship that will also accrue to Belvedere Ltd. is very positive. Not only is the sponsor noted for its size, the sponsor will enjoy the benefit of being perceived to be “upbeat”, “trendy” and “knowing what young people want”. While the sponsorship would obviously appeal to youth, there is no evidence that it would skew to one sex over another. In fact, several respondents indicated the concert itself would likely be an activity where mixed groups of friends would attend.

In every group there was considerable debate about a cigarette company sponsoring rock concerts. On the con side were those who felt that the sponsorship would suggest that cigarette companies were trying to coerce youth into taking up smoking.

“... because they are going to be into the same lifestyles and habits as we are into. We all want to quit smoking but we're hooked.”

A majority of respondents did not agree with this viewpoint and could see no harm with the sponsorship, only good:

“A lot of kids don't look at who sponsors things as much as adults – as long as they will enjoy it and it will be appealing to them.”

30. Les documents de commercialisation des demandereses traitent abondamment du profil psychologique des adolescents.

- **D-90 Tracking Study 1988 (ITL-230):**

p. 16176:

“FOREWORD

THE 1988 TRACKING STUDY is the second of a planned series of research studies into the lifestyles and value systems of young men and women in the 13 to 24 age range. A benchmark was established in 1987 against which changes or trends will be identified.

The purpose of the research is to provide marketers and policymakers with an enriched understanding of the mores and motives of this important emerging adult segment which can be applied to better decision making in regard to products and programs designed to compete for brand share. To this end, a custom section which focusses exclusively on smokers aged 18 years or older is provided.”

- **JPB-54 (ITL-329) Generation Y:**

p. 21879:

*“GENERATION Y (WHY?)
13-19 YEARS OLD*

TWO CATEGORIES

- A. “BE-BOP”:** *Street tough and deeply cynical kids who are determined to take care of themselves no matter how screwy the world gets.*
- B. “ALTERNATIVE”:** *Criticism of adult society:*
- *The world is screwed up*
 - *The environment is crewed up*
 - *Everything is screwed up*
 - *So persuade us that there is any hope*
 - *It is almost impossible to be idealistic*
 - *First native inhabitants of the “Global Village”*
 - *Vast ecological problems*
 - *Global instability*
 - *Teens today (have and) do worry about aids, violence and the environment.*
 - *They are realistic and pragmatic:*
 - *Primary goals is to survive.*
 - *They dream of becoming plumbers, mechanics, nurses, etc.*
 - *Jobs that fill basic needs, jobs for people with a no-nonsense approach.*
 - *Their rebellion takes passive forms:*
 - *smoking over exercise*
 - *fast food*
 - *°body piercing*
 - *They are forced to grow up too fast – Little adults with responsibilities: grocery shop meal preparation, doing laundry, caring for younger siblings.”*

- **D-170 Strategic Plan 1997-1998, Sales & Marketing (RBH-1134):**

p. 2938:

- *“In the mid-90’s, Boomers are all in their 30’s and 40’s and their children are pre to late teens*
 - ***mid-90’s the baby boom echo kids are entering the reckless/experimentation years***
 - *tobacco should attract a larger number of new customers than during the period when the baby busters entered their experimentation age, could see a 28% increase in the number of starter smokers over the next 15 years (D. Foot, Boom, Bust, Echo)”*

- **JPB-5 (ITL-261) Planning forecast 1993/1994/1995:**

p. 20215:

“The lessened negativity around smoking is evident among young smokers especially. Those people in Generation X (18-30 years old) and Generation Y (13-19 years old) have and are growing up in a time of unprecedented social problems. Issues such as high crime rates, divorce, AIDS and poor education are much higher on these peoples’ agenda than is smoking. They simply have more important things to worry about. Additionally, these people are not terribly idealistic or positive about the world in which they live or their future. Given this outlook, the positive benefits of smoking outweigh the negative, helping to create an environment in which smoking is becoming less of an evil than it used to be (or indeed than it ma still be for their parent’s generation).”

- **D-90 Tracking Study 1988 CRY-30 ITL-230:**

p. 16176:

“FOREWORD

*THE 1988 TRACKING STUDY is the second of a planned series of research studies into the **lifestyles and value systems of young men and women in the 13 to 24 age range**. A benchmark was established in 1987 against which changes or trends will be identified.*

The purpose of the research is to provide marketers and policymakers with an enriched understanding of the mores and motives of this important emerging adult segment which can be applied to better decision making in regard to products and programs designed to compete for brand share. To this end, a custom section which focusses exclusively on smokers aged 18 years or older is provided.”

p. 16210:

“3.5 T.G.I.F. Group

This is the largest single group accounting for 24 percent of 13 to 24 year olds. T.G.I.F. people are fun seekers and they live for the moment. This is the

most self-indulgent group. They are more likely to support sexual freedom, they enjoy partying and are the only group to actively support smoking.

Achievement and leadership are less important for this segment as are moral and societal issues.

Typical of their attitudes and values are:

Marijuana and hashish are not that dangerous.

Working is only a means to an end – the ability to enjoy the weekend.

The drinking age should be lowered.

Sex before marriage is no big deal.

Cigarette smoking is socially acceptable.

The T.G.I.F. group is average in terms of television viewing. They enjoy heavy rock and heavy metal music and are more likely than other groups to spend six hours or more each day listening to the radio. **They are the most likely group to read Penthouse and Playboy**, they enjoy going to rock concerts (80%) and watching wrestling on television (77%). Museums and art galleries have little appeal for this group.”

p. 16241:

“By segment, **smokers cluster in the gregarious T.G.I.F. group**, considerably less so in that described as Tomorrow’s Leaders and the Quiet Conformers group.”

- **D-91 3N 1990 CRY-36 ITL-555:**

p. 1:

“FOREWORD

Background And Objectives

3N 1990 is the fourth of a series of research studies into the lifestyle and value systems of 13 to 24 year old Canadians. The first wave was conducted in 1987 among 15 to 24 year olds. In 1988, the sample was expanded to include 13 and 14 year olds. It has been repeated annually since then.

The purpose of the research is to provide marketers and policymakers with an enriched understanding of the mores and motives of this important group of emerging adults. The results can be applied to better decision making for products, programmes and services designed to compete for brand share. To this end, a custom section which focusses exclusively on smokers aged 18 years or older is provided.”

p. 34:

“SECTION 3: LIFESTYLE/VALUES SEGMENTS PROFILES

T.G.I.F.

Despite a slight increase this year, the T.G.I.F. group remains the largest of the lifestyle segments, although its overall importance has lessened over time.

These people are perhaps the most overtly self indulgent of all the youth segments. They put a lot of emphasis on fun and are quite willing to spend for it. They enjoy partying, and entertainment vehicles both in and away from home e.g. stereos, walkmen, rock concerts, professional sports events. The high discretionary income of the T.G.I.F.ers allows them to “spend for today” and it is not surprising that there is very little spending among this group on products for the future like investments, or financial products in general.

In keeping with their “live for today” attitude, T.G.I.F.ers are not following the tide of anti-smoking, anti-drug sentiment, and do not regard these substances with as much concern as do many of their peers. This is not to say they are “pro” drug, but their tolerance and acceptance is above average.

The T.G.I.F. group is less focussed generally, and less affected by social issues and concerns. They are the least patriotic of all segments, and less involved in their community.

Typical of their attitudes and values are:

Marijuana and hashish are not that dangerous.

Working is only a means to an end – the ability to enjoy the weekend.

Sex before marriage is no big deal.

Cigarette smoking is socially acceptable.

Sometimes I spend my money foolishly.

It is not important to be involved in community affairs.

Spiritual values are not more important than material things.

The majority of the T.G.I.F. group is male (63%) and slightly under-represented in Quebec. They are also older i.e. 17 plus, as their lifestyle requires both money and transportation means.

In terms of music preference, the T.G.I.F. segment rates highest on heavy rock and is most likely to steer clear of easy listening and classical type music.”

“5.2 Types Of Music Listened To Regularly – By Age

Many of the more popular music types listened to by 13-24 years olds tend to be more or less mainstream – Light Rock (61%), Pop (50%), Easy Listening (39%) music. However, both Rap (48%) and Heavy Rock (42%) also enjoy a fair sized audience within this age group, and to a lesser extent, so does House Music (21%).

The biggest dichotomy of music tastes tends to occur among older and younger youth on several specific music types:

Light rock, listening music, rap, country/western and rockabilly, punk rock, rhythm and blues and straight blues.

Generally speaking, younger teens i.e. 13-17 tend to gravitate towards the rap and punk rock music types more than older youth 18 plus. Likewise, the younger groups are less inclined toward the music preferred by older youth as evidenced by the relatively low incidence of easy listening and light rock type music. They more firmly reject the fringe music such as country and western, rockabilly, and blues type music preferred more by the older groups.

Conversely, older youth (although less rigid in their music preferences) steer clear of the rap and heavy rock type music preferred by the younger group.

All other music types, although displaying small variances among the different age groups more or less have followings which reflect the average for the population as a whole."

- **D-93 (ITL-551) 3N 1991 CRY-38:**

p. 1:

"FOREWORD

Background And Objectives

3N 1990 is the fourth of a series of research studies into the lifestyle and value systems of 13 to 24 year old Canadians. The first wave was conducted in 1987 among 15 to 24 year olds. In 1988, the sample was expanded to include 13 and 14 year olds. It has been repeated annually since then.

The purpose of the research is to provide marketers and policymakers with an enriched understanding of the mores and motives of this important group of emerging adults. The results can be applied to better decision making for products, programmes and services designed to compete for brand share. To this end, a custom section which focusses exclusively on smokers aged 18 years or older is provided."

- **D-94 (ITL-548) 3N 1992 CRY-41:**

p. 18278:

"YOUTH TARGET 1992 is the sixth of a series of research studies into the lifestyle and value systems of 13 to 24 year old Canadians. The first wave was conducted in 1987 among 15 to 24 year olds. In 1988, the sample was expanded to include 13 and 14 year olds. It has been repeated annually since then.

The purpose of this research is to provide marketers and policy-makers with an enriched understanding of the mores and motives of this important group of emerging adults. The results can be applied to better decision making for products, programs and services directed at youth."

4. Une publicité qui pourrait être attrayante pour les jeunes

«Vu les sommes importantes que ces compagnies consacrent à la publicité, elles sont en mesure de recourir aux techniques les plus avancées dans le domaine de la publicité et des sciences psychosociales pour convaincre d'éventuels acheteurs.»¹³

31. Les demanderesse disposent de tout un arsenal d'outils de recherche en marketing qui leur permettent de déterminer si une publicité, un design ou un autre instrument de promotion est susceptible d'être attrayant pour les jeunes.

- **D-208 (ITL-788) Armada ITL – 1998 Project Nike – April 1999 Analysis of Competitive Advertising in the Tobacco Category:**

p. 25965:

“Objectives of this document

An analysis of 1998 competitive tobacco advertising in the Canadian market:

1. *To gain an understanding of the competitive environment in the context of ITL's portfolio competitive set.*
2. *To deduce from competitive advertising:*
 - **Whom their advertising is trying to appeal to?**
 - *How are they talking to this set of the target segment?*
 - *What is the main message they are trying to communicate (relating back to the attributes of ITL)?*
 - *What are key opportunities or implications that ITL can leverage to further gain a competitive edge?”*

- **D-174 (RBH 1146) Strategic Plan 1996-1997, Sales and Marketing – October 1995:**

p. 5741:

“3.4 TARGET – WHO IT COMMUNICATES TO

Subsequently, the participants felt that Rothmans was attempting to reach a younger target than its established brands are currently reaching.

“Young people would be attracted to this package.”

“Kids would buy it cause it looks cool ... it looks spray painted.”

*“The colours, the Plus, the design – the design is different than any other pack out there. **This all suggests it is for a younger age group.**”*

¹³

RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 76

- **D-171 Marketing Research Debrief – August 1994, An Investigation of factors contribution to the growth of du Maurier (RJR-88):**

p. 80093 9376:

"2) *The two mainstream alternatives – **Player's and Export "A" have imagery which ties them to an older generation**, consequently, they are less able to fit the role of becoming the brand of a new generation, thereby creating a void that duMaurier was able to fill.*"

- **D-190 MRD Library Qualitative Research Report for Rothman's Benson & Hedges re Belvedere Rock Sponsorship, April 1993 (RBH-2018):**

p. 11029:

"EXECUTIVE SUMMARY

*Sponsorship of a number of activities in support of Canadian Rock talent by Belvedere Ltd. was enthusiastically received by respondents. **Not only was the sponsorship seen as big, it conveyed an image of a Canadian company that wanted to appeal to youth.***"

p. 11032:

*"The image evoked by the sponsorship that will also accrue to Belvedere Ltd. is very positive. Not only is the sponsor noted for its size, the sponsor will enjoy the benefit of being perceived to be "upbeat", "trendy" and "knowing what young people want". **While the sponsorship would obviously appeal to youth**, there is no evidence that it would skew to one sex over another. In fact, several respondents indicated the concert itself would likely be an activity where mixed groups of friends would attend.*

In every group there was considerable debate about a cigarette company sponsoring rock concerts. On the con side were those who felt that the sponsorship would suggest that cigarette companies were trying to coerce youth into taking up smoking.

"... because they are going to be into the same lifestyles and habits as we are into. We all want to quit smoking but we're hooked."

A majority of respondents did not agree with this viewpoint and could see no harm with the sponsorship, only good:

"A lot of kids don't look at who sponsors things as much as adults – as long as they will enjoy it and it will be appealing to them."

p. 11040:

*"Export was not expected to be a backer of the event since **the image of Export cigarettes is so far out of sync with an event that appeals to teens***

"It's an old man's brand."

"That green packaged would be the last [one to sponsor it] because that's the strongest one and people try to stay away from it."

Players would be the most likely sponsor according to a majority of respondents:

"That's the one that's most likely to sponsor it because that's what you see all the kids smoking in Player's Smooth."

"It's so big it would make sense if they sponsored it."

- **D-184 Project Print ads – Topline Report – prepared for RJR MacDonald Inc. May 21st, 1996 (RJR-477):**

p. 80150 2044:

"3. Respondents believed certain executions were more likely than others to appeal to the younger set, i.e. those under the aged of 19. Generally speaking, ads that identified with "adventure or sex" were said to more likely appeal to the teen and even pre-teen segment. Specific executions mentioned were: *Exciting, Extra-curricular, Explicit and Ex-rated.*

- "school kids might see it as an after school activity"
- **"appeals to younger age groups, even as low as 8 to 15"**
- "too much for the younger generation"
- "bungy jumping itself is geared toward the younger generation"

More men than women concerned that a few of the ads might be a public relation issue. **While all groups spontaneously (without prompting) raised concerns that certain ads in the series might appeal to the under 19 segment,** such opinions among men came up much sooner in the discussion than they did with the women's groups.

The vast majority of respondents did not believe that the ads' probable appeal to the younger set was intentional on the part of the advertiser."

p. 80150 2050:

"3.00 CONCLUSIONS

1. *The new series strongly supports the new brand character... modern, bold, unique and attention-seeking.*
2. *An updated, positive message is successfully getting across... the brand is more (and less) than what consumer thinks... it has more appeal, but less of the old image most can't live with in the same quality cigarette.*
3. ***The series will successfully appeal to a wide cross-action... much wider than ever before...it will also appeal to those younger than 19 years of age.***

- **RF-75 (RBH-4125) Development of new product ideas for Project 20:**

p. 4:

"Rebel with a Cause

Clearly, there is an opportunity to appeal to the defiant nature of young smokers today who gather together in "smoking pits" at schools or smoking sections at bars

A cigarette brand that portrays an "in your face" attitude as in the Rebel idea where consumers can light up a fake dollar bill (the cigarette paper) and carry a black and silver box that has a hologram appeals to this target's expression of defiance.

Participants also developed an idea to address the black and white warning labels. One idea was to work with these labels by creating brand names that respond to individual warning statements, for example, the product name of So What responds to the "Smoking Can Kill You" warning. Here, committed smokers buck the system and do what they most want to do: smoke.

Some suggested that these "rebel" product ideas have attention-getting aromas such as hashish, marijuana or clove. In order to raise interest, these products would only be offered through the "black market" thus making their acquisition more desirable than that of a regular box of cigarettes. Ideas like this would appeal to the "cool", "trendy" nature of our target."

- **JPB-94 (ITL 785) Presentation of competitive Advertising Analysis (Project Nike):**

p. 25695:

"EXPORT "A" SMOOTH

Headline:	Either you like it or you don't Question de goût
Visual:	Electric guitar vs. classic guitar. Great outdoors vs. crowded urban night scene. Chess game vs. pool table
Signature:	None
Target group:	Adults 19-34
Positioning:	Cigarettes for self-confident people with a rebellious side.
Note:	Campaign appears aimed at Rothman's smokers leaving the brand for lack of Smooth option.

WHAT WE THINK THEY'RE TRYING TO DO

Message not easy to understand.

Showing opposites situations sends different messages and not that much about product.

Visual elements (guitars, pool table, etc.) are interesting and appealing to a young target group."

- **D-1 Cigarette advertising Code of Canadian Tobacco Manufacturers:**

1964 : Rule 7 :

*No cigarette advertisement shall use as endorsers athletes or celebrities in the entertainment world and other persons **whose major appeal is to children or adolescents under the age of 18 years.***

1972: Rule 12:

No advertising shall use as endorsers athletes or celebrities in the entertainment world and other persons **whose major appeal is to children or adolescents under the age of 18 years.**"

- **D-2 Canadian Code of advertising standards May 1999 revision:**

"s. 13

Advertising to Minors

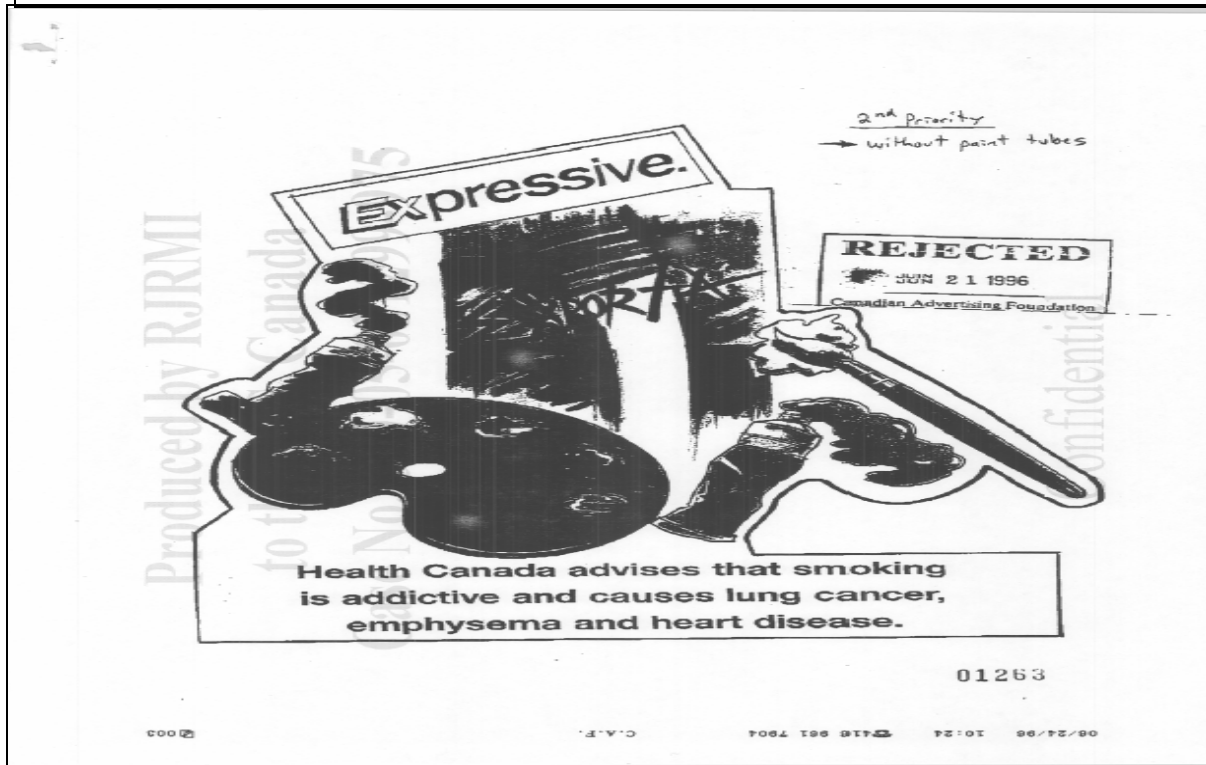
Products prohibited from sale to minors must not be advertised in such a way as to appeal particularly to persons under legal age, and people featured in advertisements for such products must be, and clearly seen to be, adults under the law."

- **D-10 RJR-1262 et RJR-1263 :**

CAP Comment: *This ad is perceived to be appealing to children and therefore unacceptable under section 3.1 of the Code.*

Reviewer: *[Signature]* Date: *9/6/96 21*

01262



- D-20 «Either you like it or you don't »:



- **D-21 RJR-476 An investigation of the perceived age group appropriateness of ads for Smooth & Export A :**

p. 80150 186 :

“ 1.2 Research Objectives

*The primary objective of this research was to determine whether or not any of the executions which comprise the advertising campaigns for Smooth or Export « A » present **visual images which would be judged by the general public as intentionally or inadvertently attempting to attract young people (i.e. less than 19 years of age).***”

80150 1889 :

Electric Guitar vs. Acoustic Guitar

By the time respondents were shown the guitar ad (which has already appeared in market), they were undoubtedly preconditioned to evaluating cigarette advertising in terms of its potential to attract (either intentionally or inadvertently) individuals who are underage. As a result, some would immediately address their comments to this particular issue.

Approximately three quarters of the Montréal respondents judged this ad to be clearly targeting younger consumers, whereas the remaining smokers stated that the ad would be appropriate for anyone, since music has universal appeal.”

80150 1890 :

“Nonetheless, even those respondents who interpreted this execution as including older smokers into its target group, conceded that the appeal of the advertising would start at a relatively young age.

“The electric guitar is for 14 to 16 year olds because it is a cool looking image.”

“For me, that is for kids, even down to age 15, because of the electric guitar.”

“It’s aiming at young people with the rock guitar.”

“I see different ages, but the rock guitar goes down to 14.”

“I would say (it is targeted at) 17 to 50 (year olds).””

80150 1891:

“When specifically asked if the advertiser was intentionally targeting a young audience, a majority of smokers agreed that the advertiser was not attempting to attract underage smokers. The question was then posed as to whether or not the ad might inadvertently appeal to young people. At this point, a majority (about 6 in 10) conceded that this was a possibility.”

5. Les fumeurs

«Deuxièmement, même si notre Cour acceptait l'argument des appelantes quant à la fidélité à une marque, les appelantes n'auraient pas apporté de solution au problème soulevé par le fait que même la publicité orientée seulement vers la fidélité à une marque peut aussi servir à inciter les fumeurs à ne pas cesser de fumer. La préoccupation du gouvernement quant aux effets des produits du tabac sur la santé peut très raisonnablement s'étendre non seulement aux fumeurs potentiels qui envisagent la possibilité de commencer à fumer, mais aussi aux fumeurs actuels qui voudraient cesser de fumer, mais qui ne le peuvent pas. »¹⁴

«Il ressort par conséquent clairement de ce rapport que la publicité est un aspect central de l'«initiative de promotion» proposée dans Project Viking. Il est difficile de voir comment les compagnies pourraient «rassurer» les fumeurs qu'ils ne sont pas des «parias», ou les «encourager», simplement par la réduction du prix ou du contenu de leurs produits. Pour rassurer les fumeurs de façon efficace, il est aussi nécessaire de les convaincre que fumer est acceptable sur le plan social, ou même admirable. La publicité a fait la preuve de son efficacité en ce domaine.»¹⁵

«[Concernant les cigarettes «légères »], elles n'ont présenté aucune preuve établissant que ces produits sont de fait meilleurs pour la santé; elles en étaient de toute façon logiquement incapables, puisque la preuve paraît indiquer le contraire: ces produits ne sont pas plus sûrs que ceux qui contiennent de fortes quantités de goudron et ils servent principalement à inciter les fumeurs qui pourraient autrement cesser de fumer à continuer de fumer des marques plus «légères»;¹⁶

32. La plupart des fumeurs éprouvent un sentiment de culpabilité et songent à cesser de fumer. La promotion des produits du tabac vise à éliminer ou du moins à atténuer ce sentiment de culpabilité, et ce, par divers moyens.

- Promotion de cigarettes soi-disant moins irritantes;
 - Promotion de cigarettes légères;
 - Promotion de cigarettes «sans additifs»;
 - Promotion de cigarettes «100% naturel»;
- **D-201 Johnston & Ass. Segmentation - Phase I Focus Group Research, February 1991 (RBH-2234):**

p. 27343:

“Sensitivity to personal health risk generates a range of responses including attempts to quit, consumption rationing and moves (real or

¹⁴ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 84

¹⁵ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 90

¹⁶ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, par. 108

perceived) to a lower T & N count. Among those who move “down” some are aware of a specific T & N count but many are not, relying more on nomenclature.”

p. 27356:

“Many smokers recognize and frequently resent the guilt they feel as smokers. This guilt appears driven by both internal (health concerns) and external (social and financial) pressures. Their resentment of their own feelings of guilt appears generated in some cases by their inability to give up smoking and in many cases by a reluctance to give up the benefits or pleasures which they experience from cigarettes.”

- **D-213 Johnston & Associates – Project Linebacker Qualitative Research – Calgary – Vancouver, July 1994 (RBH-2051):**

p. 27777:

*“Most had switched to their current brand as part of a deliberate, if occasionally unsatisfying moved down the T & N ladder. While by no means the only reason, lower T&N was the most frequently cited switching motivator... “wanted less tar, less strong, less cough, lighter, lower nicotine, **healthier**, cut down, part of weaning process”.”*

p. 27779:

“A low tar product was, however, viewed as less harsh (inoffensive if unsatisfying) and, above all, healthier/less harmful. Low tar’s image does skew more modern and several see the profile as smart... low tar smokers were occasionally described as “intelligent; thinkers”.”

- **D-230 (RBH-4162) Project 21, Toronto, June 1995:**

p. 10:

“DESIRED IMAGE CHANGES

The overriding desire is for a proposition which generates greater social acceptability. However, greater social acceptability appeared more a desired end result than an image shift and it was broken down in these sessions into the following components.”

...

Less harmful... This standard desire among smokers appears driven either by self-interest or by a desire for something which is “better” for others. **The concept is described as healthier, less intrusive (less smoke) and, overall, less harmful to the smoker and to others. The opportunity lies in a proposition which communicates a general sense of healthfulness and/or a healthy lifestyle.”**

33. Les raisons pour lesquelles les fumeurs veulent cesser de fumer sont essentiellement reliées à des questions de santé, de prix et de

pressions sociales. À cela les compagnies de tabac ont réagi en mettant sur le marché des cigarettes dites légères qui seraient perçues par les consommateurs comme meilleures pour la santé.

- **D-232 (RBH-4182) OONA IV, Qualitative Research Calgary – July 1995:**

p. 6:

*“Oona women do appear motivated to escape the anger or embarrassment resulting from anti-smoking pressure. Anger aside, the descriptions of their sense of “embarrassment” provide important clues to their desires...i.e. **product propositions and packages which provide antidotes to those feelings***

*The negative feelings were describes as...“guilty, conspicuous, humiliated, second-class, feeling like a leper, like an outcast”. **Direct antidotes, therefore, would be Oona propositions designed to make the smoker feel “carefree, discreet, confident, first-class, feeling healthy, feeling sociable”..**”*

- **LN-33 (RJR-101) Factory made cigarette market usage and attitude study – January 1995:**

p. 80117 6699:

“In the past approximately 80% of smokers claimed to have tried quitting but currently only 25% are actively trying to exit the market. Younger smokers are less likely than others to have tried in the past or to be currently trying to quit smoking.

*“**For those who have tried to quit in the past, health concerns was the key motivator for quitting with price and social pressure being relatively less important.***

For those currently trying to quit smoking, health concerns is overwhelmingly the key motivation for quitting.”

34. RJR-MacDonald a commercialisé la cigarette Vantage en se fondant sur ces études.

- **D-203 RJR Macdonald Vantage Strategic Recommendation, March 20, 1997 (RJR-1338):**

p. 80151 5031:

*“iii) **HISTORICAL CONSUMER PERCEPTIONS & ATTITUDES***

P** **Key switching motivators include low tar/nic content, less health risk, want to quit, variety/change, less harm/ same satisfaction. Vantage smokers came to brand due to low tar/nic., smooth taste, good draw for mild cigarette.”

p. 80151 5037:

“1996 STRATEGIC OPTIONS

Concepts

*Vantage. **The smart choice for the concerned smoker.***

You enjoy smoking but don't feel good about the fact that you smoke. Vantage's lower tar makes you feel a little better about smoking, while it's unique full flavour gives you all the satisfaction you want in a cigarette.

Findings

- ***Plays well to “conflicted smokers.”***
- *Wrong for those who'd rather not think about it now that they've moved to low tar.*
- *Reasonable concern suggests a “selective, particular, modern smoker.”*
- *Appropriate product description*
- *Apologetic attitude*
- *Controversial in terms of relevance*

*Vantage. **The responsible way to smoke.***

You respect others, yourself and the environment around you. You need a cigarette that lets you enjoy smoking without conflicting the things you believe in. Vantage – low in tar and with a unique full flavour – fits in with you the way you feel.

- *Denial that responsibility is associated with smoking.*
- *Too ideological.*
- *Connected with enjoying smoking*
- *Appropriate product description*
- *Inappropriate attitude”*

35. La cigarette Viscount, commercialisée par Rothmans, Benson & Hedges, vise les fumeurs qui veulent une cigarette meilleure pour la santé.

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 3990:

“Low Tar Smoker

*The prime motivation in smoking a low tar cigarette appears health related. These smokers appear more conscious and aware of T&N counts than others and **a low tar product is viewed as part of or as an alternative to cutting down for health reasons.**” (Toronto/Calgary March 1992)*

“Low tar smokers appear driven by the desire for a safer, healthier product rather than by any unique aversion to the taste or hit of a stronger cigarette.” (Toronto/Calgary April 1993)”

p. 3991:

“B&H launched Viscount in 1968 with positioning as “the mildest cigarette in the Canadian market, for health conscious smokers” (1987 Brand :Plan). It appears that mildness was the relevant communicator at the time of the Trademarks true positioning, that of being for health conscious smokers. In 1980 the Trademark had begun its current downward trend, on judgement behind i) better marketed competitive entries, ii) the introduction of new Trademark packaging (basically current packaging), and iii) the use of “the mildest” claim in advertising. It appears neither one of these Trademark directions where successful moves and that a return to the original health aspirational/image positioning would be more relevant, appealing and gender neutral (and distinct versus segment leader, Matinee Extra Mild).”

- **RF-37 (RBH-3829) Memo from J. Wilson to J. Feeny re: Print advertising for Viscount 1 Ultra Mild, September 26, 1996:**

p. 10592:

“Target Audience

- **Demographics**
 - *The primary target female, 35+, educated, non-labour force, income \$40k+.*
 - *The secondary target skews female with male relevance, 25-39, educated, white/grey collar, income \$40k+.*
- **Psychographics**
 - ***The target audience is healthier/guilt driven. At this time of year, they are moving into “New Year’s resolution” time, and so are beginning to rethink their brand choice. By moving to the lowest brand available, they off-set some of the guild factor.***
 - *They enjoy smoking, and are not committed to cutting out all the pleasures in life, but want to enjoy their vices in a moderate way based on an informed choice reflecting an attitude of smoking “smarter”.*

- **RF-33 (RBH-1129) Marketing Plans 94/95:**

p. 1942:

“APPENDIX: MARKETING STRATEGY

VISCOUNT EXTRA MILD

BASIC STANCE

*Viscount Extra Mild stands for low tar combined with equal or superior taste, relative to directly competing brands, for **today’s health conscious smoking consumers.**”*

p. 1943:

“APPENDIX: VISCOUNT EXTRA MILD MARKETING STRATEGY Cont’d...

Rationale

Research suggests “the move down in T&N is fundamentally health related” as opposed to an aversion to the taste or hit of a stronger cigarette. Consumers see...”

36. La cigarette Du Maurier Ultra Light, commercialisée par Imperial Tobacco Limited, s'adresse aux fumeurs qui croient que les cigarettes légères sont meilleures la santé.

- **D-214 Document from F.Y. Caya to: Distribution ITL April 22, 1991 re: Du Maurier Ultra Light:**

p. 24080:

*“Overall, due to the sensitivity and awareness about the “health” issues surrounding smokers, **they believe that a move down the scale to a lower tar and nicotine cigarette will be healthier.** They, therefore, understand that in going lighter and lighter with its mainstream brand, du Maurier is keeping in touch with its consumers. It is seen as a natural progression – one that they will follow.”*

37. Il en est de même de la cigarette Medallion commercialisée par Imperial Tobacco Limited.

- **D-215 A Review of ITL Brand Strategies, November 1998 – Prepared for: Imperial Tobacco (ITL-231)**

p. 20154:

“MEDALLION – 1989

OVERALL POSITIONING OBJECTIVE

*The objective for Medallion is to **associate the brand with the lowest recognized level of mildness (Ultra-Mildness) and “safety”**, with as little sacrifice or trade-off on image elements.”*

...

STRATEGIES

Positioning

Reinforce Medallion’s lowest tar, “safest” perception.”

p. 20137:

“5.6 Medallion

This Ultra Low entry has no relevance to 18-24 year old smokers, nor is it likely to have in the foreseeable future. They have not regressed to this tar level by any stretch of the imagination.

*The Medallion strategy may wish to recognize that there are at least two types of 1 mg smokers. One group is on a deliberate schedule heading toward quitting via the cutting down on strength route. It will probably be successful through the recognition of lack of taste and satisfaction and therefore any point to smoking at this level. **The other group is one which wants to quit but cannot, and feels guilty about this. It chooses the lowest tar option available because it is the least bad for it** (in line with the Medallion strategy). Were it possible to deliver a modicum of taste at 1 mg, as the competitor Accord apparently has achieved, there may be some gratitude expressed by this unhappy group.”*

- **D-222 ITL Marketing Plan – 1989 (ITL-431):**

p. 17609:

“MEDALLION – 1989

In light of impending communications restrictions and with Bill C-51 allowing an opportunity for “free” re-design, Medallion’s package and symbol will be examined in the context of its strategic position.

The objective of any design change will be to reinforce its lowest tar, “safest” perception. Further, perceptions should shift in terms of modernity and youthfulness.”

p. 17610:

“STRATEGIES

Positioning

Reinforce Medallion’s lowest tar, “safest” perception.”

38. Les publicités pour les cigarettes légères apparaissent habituellement en janvier de chaque année, au moment où les fumeurs prennent la résolution de cesser de fumer.

- **D-212 Memo from Nanci Bodi – Marketing Manager, Vantage to All Head Office Employees, January 28, 1997 (RJR-1311):**

p. 80151 2578:

“To: All Head Office Employees

Date: January 28, 1997

Subject: Vantage Newspaper Advertising Campaign

LATE BREAKING NEWS ITEM! VANTAGE NEWSPAPER
ADVERTISING TO HIT THIS THURSDAY, JANUARY 30TH!

On January 30th and February 6th, a bold new Vantage advertisement will appear in widely circulated newspapers across Ontario. Titled "It's never too late for another resolution...", this advertisement invites smokers to "switch to the satisfaction of low tar Vantage".

This new advertisement is timely given that it appeals mainly to high tar smokers to consider Vantage if they plan to trade down their tar level as a New Year's resolution. Smokers are assured that Vantage delivers satisfaction in a complete range of low tar cigarettes (to suit their individual tar level preference)."

39. Les outils de recherche en marketing dont disposent les demanderesse leur permettent de déterminer si une publicité est fautive ou trompeuse.

- **D-189 (RBH-3804) – Bryan Nykoliation - Canadian Classics FY 96-97:**

p. 9671 :

"3. Pure Canadian Classics :

- *Some panelists that « pure » was reflective of the northern part of Canada, the untouched and pristine part. They heralded this supporting slogan as evidence that the cigarettes would not have been sprayed with chemicals and would really be made in Canada.*

"Pure means the Northern part of Canada, clean, pristine, Northern Canada, clear tobacco with no pollution in it, not sprayed down and manufactured."

"They are trying to guarantee that it is old, and made in Canada."

- **Several panelists rejected this slogan citing that the word "pure" simply did not go well with cigarettes. Some felt that the word pure was misleading and dishonest.** At least one panelists though that it would make the cigarette milder, and "wouldn't cause such a head rush."

"Dishonest ... trying to make people believe that smoking isn't as bad as the other ones. Like saying more protective."

"Pure just doesn't work with smoking. It is a trick." "

- **D-236 (RBH-4100) Project Apollo, A Qualitative Study of Opportunities in the YAM Segment – Spring 1999 – Prepared for Rothmans, Benson & Hedges:**

p. 10:

"100% Canadian Tobacco" is a distinct positive.

- *Like the name "Canadian Classics", the 100%..." phrase suggests a product which is likely to be somewhat higher quality and better tasting than others. A Canadian product specifically suggests a more natural, cleaner taste. However, the key benefit is its ability to distance perceptions of the product from those associated with American tobacco.*

- *In this case, the brand emerges with a minor competitive advantage over those (e.g. duMaurier) who may be vaguely linked with American cigarettes. DuMaurier's product is acknowledged as "good" but its "Virginia" tobacco designation on the package suggests more American than Canadian linkage.*
- ***The phrase does contribute to a synergism which, along with the name, the scene, the moose and the additive copy suggests a more natural, more healthful image.***

p. 11:

- ***"The "additive-free/without additives" proposition does not suggest a healthy cigarette. Instead, it suggests a less harmful one. This distinction appears significant since a small minority saw the claim as lacking credibility ("all cigarettes are bad") while a majority saw it as a process statement ("they don't add anything else") and a statement of competitive advantage ("it's less harmful than the others").***
- ***An "additive-free" proposition has taste as well as health implications. Most assumed a cigarette without additives would have a cleaner, purer, more tobacco taste which would be more obvious to the consumer because the taste would not be "cluttered" with other chemicals.***
- *There was consistent preference for the phrase "additive-free" over the phrase "without additives". The key issue is the word "free" which suggests a more positive and more healthful positioning.*

6. Les femmes

40. L'industrie du tabac cible la clientèle féminine en mettant sur le marché des marques de cigarettes associées à un style de vie attrayant pour les femmes, un style de vie qui reflète la vitalité, la jeunesse et la santé.

L'Exemple de Matinée :

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176) :**

p. 13874:

“1993 MARKETING PLANS

MATINEE TRADEMARK – KEY CHANGES TO PLAN

POSITIONING STRATEGIES

- *Relaxation, youth fitness and self indulgence expressed in female fashion will be the key elements in the trademarks lifestyle position.”*

7. Le public en général

«La publicité de la cigarette ne peut pas être créée de manière à avoir une efficacité seulement sur les changements de marques. Les messages publicitaires sont créés -- à la suite de recherches -- dans le but d'avoir un effet maximal sur une couche de population ciblée. Les non-fumeurs de ces couches (p. ex. les jeunes hommes) ont des goûts et des préoccupations similaires, et il n'y a pas de façon de tirer autour d'eux un «écran magique» de manière à les protéger de la tentation provoquée par cette publicité.¹⁷»

41. Le vaste public n'échappe pas aux efforts de marketing de l'industrie du tabac.

- **D-200 (RJR-682) RJR-Macdonald Inc. Inter-office Correspondence to Patrick Mispolet from Nancy Marcus, March 25, 1996:**

p. 80151 3320:

“The Export ‘A’ Inc. Skins Game

Background

The Skins Game has become one of the top televised golf events in Canada over its three year existence (see appendix). The event gives Export ‘A’ Inc. an unparalleled opportunity to “own” five hours of weekend television and represents a leveragable advertising opportunity in the two to three month window leading up to the event.”

...

Executional Considerations

- ***pre-promote the event as widely as possible for as long as possible prior to the actual event;***
- ***target the general population (Adults 18-49) with the advertising, not just the golfing target;***
- ***leverage the appeal and high profile of the world’s top golfers;***
- ***create positive association between the event and the brand by way of advertising and in store trade presence.”***

- **D-186 Briefing document for Export ‘A’ Inc., September 9th, 1983 (RJR-695):**

p. 80093 6416:

“3. *Who are we after?*

Primary

The masses. We want everyone to notice the Export “A” Inc. logo. The communication programs need to be tasteful to avoid backlash from anti-smoking groups which then create negative press.

¹⁷ RJR MacDonald c. Canada (P.G.), [1995] 3 R.C.S. 199, M. le j. La Forest, citant Joel Cohen, par. 92

Secondary *To have the local sports person want to participate or attend the event."*

- **D-185 A New Sponsorship property for Export 'A' Inc Brief "Plugged The Edge" (RJR-663):**

p. 80133 7791 :

"3. *Who are we after ?*

Primary *The majority of the 18 to 24 years old crowd. The property chosen must be of interest to 18 and older versus a venue that could be interpreted as 18 and younger due to the sensitivity of our business. The communication program will need to be tasteful to avoid backlash from anti-smoking groups.*

Secondary *The masses. We want everyone to notice the Export "A" Inc. logo and involvement in this event."*

- **RF-10 (RBH-1221) – Benson & Hedges Fireworks Sponsorship – Letter from Kidstuff Twelve to Design Unlimited, July 19,1995:**

p. 7691:

"Starting on Monday July 24^h through Friday, July 28^h a portion of the MCDONALD'S TELEVISION TWELVE'S KIDSTUFF daily news breaks will promote the Benson & Hedges SYMPHONY OF FIRE and our enter to win contest. In addition to the above contest airtime, from Monday, August 7^h through Wednesday, August 9^h the KIDSTUFF News breaks will feature our contest winners enjoying their barge tour as well as encourage viewers to come by the KIDSTUFF Van at the Grand Finale.

p. 7647:

"KIDSTUFF airs three times daily, Monday through Saturday of every week, airing twice daily between 7 – 9:30AM and once between 3 – 5:00PM; on Saturdays all three segments air between 7AM – 11:00AM. The KIDSTUFF spots are 60 seconds in length during which the SYMPHONY OF FIRE Barge Tour and ticket promotion will be included."

- **RF-42 (RBH-1212) Benson & Hedges Fireworks:**

p. 7412:

"1. THE FIREWORKS

The firework shows are very spectacular and the combination with music make them quite artistic and set them far apart from « normal firework displays ».

*The fireworks appeal is very broad. Attendance at shows in each of the 3 cities is high. Even though it is a First Class show, **it's also a family event which attracts both sexes equally and all classes of ages**."*

p. 7413:

"3. BRAND EXPOSURE

In my opinion, brand exposure on-site is not predominant enough. The existing signage does not immerse the public in a real "Benson & Hedges" bath. People

not only should know they are at the Benson & Hedges (they already do), they should see it and feel it.

Everything we do on the site we should ask ourselves "what does it do for the brand?"

p. 7414:

« I think that brand visibility could be increased and enhanced. A lot of opportunities could be explored, here are just some ideas.

- Small signs spread on site to indicate best viewing points.
- Big banners on fences and streets around the site.
- VIP area "brand identified" and recognizable from outside.
- Hostesses and helpers in Benson & Hedges uniforms (with real brand identification).
- **Brand identified items given or sold to public (t-shirt, hats, flags, balloons etc.).**
- Brand identified items offered or sold to all restaurants, bars, stores on or close to the site (umbrellas, matches, ashtrays etc.).

Other more "creative" ideas:

- Is it feasible to have **bombs exploding in the shape of the Benson & Hedges name** (I've seen heart shapes, so why not letters?).
- Plane flying over location with a long trailing B & H banner.
- Parachutists coming down with gold and black Benson & Hedges parachute and distributing Benson & Hedges "giveaways"
- B & H airship flying on site."

p. 7415-7416:

"6. BRAND FIT

There is a very good fit between Benson & Hedges and the event :

- The firework shows are top quality and classy which fits exactly the Benson & Hedges promise as brand. The combination with music makes them artistic and very elegant (such as B & H brand).
- Benson & Hedges Firework shows are unique and really differentiate us from competitive events like tennis, golf, jazz.
- The competition aspect adds an international and prestigious connotation (such as B & H brand).
- **Fireworks also have a magical image and some romantic and emotional appeal, that surely touches our target.**
- **By presenting a "family-event" we certainly reach them too and all the characteristics of the shows fit the Benson & Hedges brand."**

8. La fidélité aux marques

42. Les fumeurs témoignent d'une extrême fidélité à leur marque de cigarettes, d'où l'importance de les fidéliser le plus tôt possible.

- **D-166 Pollay, Richard, « How cigarette advertising work. Rich imagery and poor information»:**

p. 16

Starters, whose brand loyal patronage might be enjoyed for many years to come once they settle on a preferred brand, are therefore seen as a critical success factor.

I.T.L. has always focused its efforts on new smokers believing that early perceptions tend to stay with them throughout their lives. I.T.L. clearly dominates the young adult market today and stands to prosper as these smokers age and as it maintains its highly favorable youthful preference. (p. 201825039, File # HT 0344, Box # GU 0200, HC Request #290, 1989)

- **D-175 Export 'A' family – Brand Positioning Statement (RJR-1339) October 5th, 1989 (D-175):**

p. 80118 3930:

"RATIONALE

The younger segment represents the most critical source of business to maintain volume and grow share in a declining market. They're recent smokers and show a greater propensity to switch than the older segment. Export has shown an ability to attract this younger group since 1987 to present (exhibit XI, XII)"

p. 80118 3934:

"In order to make further inroads into the younger segment, we must continue to project an image that is consistent with the needs and values of today's younger smokers. This positioning leverages the heritage inherent in."

p. 80118 3935

"V. HOW DO WE ACCOMPLISH THIS?"

- *Sponsorship*
- *Target store marketing*
- *Creative/:P.O.S.*
- *Packaging"*

- **D-176 Trademark Strategies and projects – 1995 – Market Strategy and development (ITL-441):**

p. 18110:

“CONSUMER NEEDS

Marketing activities have historically been and continue to be targeted at younger smokers due to their greater propensity to change brands.”

- **RF-44 (RBH 1137) - 1993/94 Business Review:**

p. 3642:

“II- KEY LEARNING/INDICATED ACTIONS

1. Craven needs to fix its Regular Length business. A strong regular length business is key to attracting younger users and ensuring a healthy future franchise.”

- **P-49 Broad Strokes Plan 1992 (ITL-267) :**

“Under 25-year olds continue to show the highest level of potential as a target for all of our activities. The model that sees young customers acquiring their preferences and staying with them as they age is increasingly valid. If there were only one spending target, this would be it.”

- **LN-33 (RJR-101) Factory made cigarette market usage and attitude study – January 1995:**

p. 80117 6730:

“BRAND LOYALTY AND COMMITMENT

...

The Conversion Model indicates that smokers, in general, are extremely brand loyal. Only 3% are considered convertible or extremely vulnerable to brand switching while a further 18% are classed as having shallow commitment or are moderately vulnerable to brand switching. The remainder have a fair or high degree of commitment to their regular brand. Despite major changes in the tobacco market over the past few years with increasing taxation, resulting in “black market” sales and then the more recent tax roll-back, there has been little change in real commitment to regular brand over this time frame.”

- **D-202 Marketing Research Department Report, RJR Macdonald Inc. Smoking Buying Habits Study - February 1990 (RJR-6):**

p.80128 5861:

“a) The Support System segment, which comprises 1/3 of the market in general and the Modern/Active lifestyle cluster in particular, may be easily persuaded to try a different brand with clever counter displays or point of sale promotions (pricing and point of sale advertising). The experimental nature of

*the Support System segment, the largest of all the segments attitudinally, lends itself to this proposition. Convenience/ variety/ gas bar, the most favoured outlet type for cigarette purchase by this group, lends itself quite well to these two types of stimuli and should be the focus of programs targeted to them. They also tend to be heavy smokers resulting in maximum return on promotional dollars. **Given their younger age skew, this group has the lowest level of brand loyalty but it is essential that they be targeted during this formative brand loyalty stage.** It should be noted that this group is slightly more likely to be made up of king size smokers, driven by higher than average agreement that smoking is sophisticated. This may indicate strong potential to develop king size formats in particular.”*

- **D-178 RJR Macdonald Inc. Export ‘A’ Franchise Advertising Strategy Recommendations, December 12th, 1995 (RJR-1418):**

p. 80154 2410:

“1.0 Source of volume:

At a time when brand loyalty is eroding, brands are being “commoditized” and consumers look for the value of retailer brands, loyalty to cigarette brands remains very strong.

Most cigarette purchases are automatic and smokers claim that they seldom even see other brands. There are few products which are purchased or consumed as frequently as cigarettes. This constant repetition generates virtually unprecedented loyalty in this product category. Focus Groups, December 1995.

Only a small percentage of smokers can be encouraged to switch brand.

Only 3% of all smokers are considered “convertable”, 18% are classed as having a “shallow commitment”.

The proportion of consumers vulnerable to loss is about equal across the three brands (Export 23%, Player’s 17%, duMaurier 24%) – 1995 U&A Study

Younger smokers between the ages of 19-24 are more likely to switch as they are still experimenting with brands, have low brand loyalty and are generally more predisposed than older consumers to adopt new products and buy on impulse.”

- **LN-78 (RJR-367) Above and Beyond the Vantage Challenge – presented to RJR MacDonald – prepared by the Gaylord Group Ltd. – May 20, 1997:**

p. 80151 5203:

“ESTABLISHING THE KEY RESULTS AREAS: A STRATEGIC OVERVIEW

Smokers exhibit extremely high levels of brand loyalty. Present government regulations are strict with respect to tobacco advertising and sponsorship of arts and sports. With the federal tobacco law being amended, tobacco companies are actively searching for innovative ways to market their products.”

43. La notion de « switching » englobe non seulement les fumeurs qui passent d'une marque à l'autre mais également les nouveaux fumeurs et ceux qui cessent de fumer.
44. L'argument des demanderesses voulant qu'elles ne s'intéressent pas aux nouveaux fumeurs, qui sont en grande majorité des adolescents, est contredit par leurs documents de commercialisation.

- **D-179 Imperial Tobacco Limited - Switching Analysis, August 1991:**

p. 465043162:

“Switching behaviour is more prominent among younger smokers since they are at a stage where they experiment with different brands before they make their choice. With a switching rate twice as big as total smoker’s, smokers under the age of 25 represent a moving market of 4% in consumer share, a target of primary importance in order to ensure future success. So far, ITL is the only company that has managed to increase its share of switchers-in not only among smokers under 25, but also among all age groups, resulting in increasing market share.”

p. 465043166:

“1) HOW IS SWITCHING EVOLVING:

Switching in general

When we talk about a switcher we are talking about someone who has been smoking his usual brand for less than 12 months. This definition includes starters (did not smoke before) and smokers that had no regular or particular previous brand.

The annual switching rate among total smokers in 1990 is at 10%, back to its level of 1973-1975. This implies that of all smokers, 10% of them switched brands in 1990.”

p. 465043210:

“Although switchers of all ages represent opportunity for new business, targeting young consumers continues to be a strategic importance in terms of future growth because of their switching behaviour, twice the rate of total smokers.”

9. La publicité de commandite

45. La publicité de commandite est une autre forme de publicité «de style de vie».

- **D-192 Export 'A' Inc. – How Do We Build A Success Story, 1997 + Beyond (RJR-705):**

p. 80150 3496:

“SPONSORSHIP PROGRAM

Overview: The role of sponsorship is simply a means to an end to allow us to advertise.

SPONSORSHIP = ADVERTISING

WHY IS IT CRITICALLY IMPORTANT?

- *Brand advertising restrictions*
- *Sponsorships:*
 - *Reinforce brand strategy*
 - *Provide broadcast brand i.d.*
 - *Focus in-store communication”*

- **JPB-44 (ITL-65) 1997 Communications Plans – Matinee and ITL Secondary Brands and related projects:**

p. 23484:

“BRANDED

Utilize branded advertising for as long as it will be legally permitted to help increase the popularity, the awareness of the trademark as well as the Pegasus. Branded advertising will be focussing on product attributes.

SPONSORSHIP

Utilize sponsorship advertising in markets where brand is not permitted. It will be focused on self-indulgence and relaxation attributes as well as communicating involvement in fashion (Note that the “waterfall” ad will be used for the 1997 Matinée Fashion Foundation campaign).”

- **D-183 (RJR-721) Export 'A' – 1997 Communications Plan, September 9th, 1996 – RJR MacDonald:**

p. 80153 1145:

“4. Sponsorship Strategies

Objectives

To leverage Export “A” positioning and ability to advertise effectively through association with selected events/activities.”

- **D-210 (RBH-2163) RBH – Matinée Trademark 1953-1995, April 16 1996:**

p. 5:

*“There is great consistency in the marketing tactics used over the last 20 years. Consistency is the logical outcome of a belief structure held by Imperial Tobacco. These beliefs are threefold. The first is that a brand’s image is – in part – derived from its inherent product characteristics. As such, while you can rejuvenate it, you can’t change it. The second is that **familiarity is everything**. Imperial believes that smokers aren’t looking for variety; rather, they are searching for a consistent image that makes a statement about them as people. **The role of advertising is to build familiarity.***

The third belief is that brand preference is driven by visibility, and that visibility is best achieved by a combination of advertising and merchandising. The role of sponsorship is a logical extension: it provides the advertising platform.”

46. La publicité de commandite, que les demanderessees utilisent pour contourner les interdictions qui s’appliquent à la publicité traditionnelle, vise à transmettre l’«image» que les compagnies souhaitent associer à une marque.

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 13835:

*“In terms of understanding, it is very clear that **while the event itself is a communications vehicle, the true value is the amount of targeted imagery communications which surround the event. It gives us the legitimate excuse to promote.**”*

- **D-193 (RJR-708) Lettre de Éric Blais – v.p. Director Strategic Planning de Harrold & Mirlin – à Mme Daphne Bykerk, Vice President Marketing RJR-Macdonald Inc., September 16, 1996:**

p. 80154 2472:

“IV- Associative marketing

*Associative marketing allows us to associate the brand with images which we are prevented from using in brand advertising. In other words, **the actual sponsorship is simply the price we pay in order to feature a particular image in our advertising**. Although there are many additional benefits to traditional sponsorship programmes such as promotional extensions, our primary concern is with the image advertising potential around the sponsorship. We are attempting to alter a brand’s image and, in our view, this is best achieved through advertising which we control.”*

- **D-195 RBH Strategic Plan – 1994-95. Sales & Marketing, October 1993 (RBH-1144):**

p. 5371 :

"Sponsorship

*Image defining/enhancing activities
which clearly speak to and support
the brand's positioning."*

p. 5381:

"SPONSORSHIP

Use sponsorships as a means to establish and build upon lifestyle image associations through targeted selection, strong promotional programmes and professional execution, all of which reflect the desired character and image."

p. 5425:

"If Craven does not have a sponsorship in place in 1993, it will have no means of communicating image to consumers."

- **P-49 Broad Strokes Plan 1992 (ITL-267):**

p. 16352:

*"Although traditional brand/trademark imagery will disappear in-store at the end of next year, sponsorship communication opportunities will remain. These sponsorship ads can not be located in tobacco sections, so we will have to move signs, however **their existence does enable lifestyle messages via sponsorship involvement to continue.**"*

p. 16357:

*"This is a radical shift in the communications efforts. Historically, sponsorship was viewed as an adjunct to the marketing effort. By the end of 1991, when in-store regulations come into effect, **sponsorship will be the only means by which we can communicate precise imagery messages to our consumers.** As a result of sponsorship's increased importance as a marketing tool, we have seen tremendous increases in the level of sponsorship activity and in the dollars allocated to the area."*

p. 16358:

"The dollars spent in event acquisition have provided the Player's and du Maurier trademark with wide-ranging sponsorship involvement. We now need to communicate this involvement in a way which reinforces trademark imagery. When sponsorship was an add-on to the communications effort, event advertising was sufficient to promote our involvement. Given today's regulatory environment, it is essential that we use our involvement in a different way – to

reinforce key trademark image attributes. Player's with it's racing portfolio in particular, and du Maurier with the arts, golf and equestrian events do provide the **opportunity to make lifestyle messages through sponsored vehicles**. Matinée will soon be in a similar position.

We have already begun the transition from event advertising to more image based advertising. We still need to fully exploit the communications value inherent in our sponsorship involvement. Until further regulatory change, this is the means by which we will replace traditional brand/trademark image advertising."

p. 16359:

"STRATEGIC IMPLICATIONS

As traditional lifestyle advertising wanes, sponsorship creative can be used to reinforce trademark imagery:

As we shift to more image based communications, we should ensure we have the appropriate creative expressions. We do have message which already reflect more lifestyle imagery than has historically been the case. More refinement in this area is required."

p. 16360:

"Communication innovations are important to pursue, however impact on costs need to be closely examined:

We have examined data base marketing as an innovative communications tool. This device uses sponsorship activity as a means by which we continue to make lifestyle-reinforcing statements. It appears to be very effective and risks being very expensive."

p. 16362:

"PRIORITIZATION OF RESOURCES

1. Activities that result in price/value launch communication programs.
2. Activities that begin the process of re-allocating sponsorship dollars by reducing fixed event costs to increase media flexibility.
3. Activities that maximize **the use of lifestyle/imagery sponsorship creative.**"

• **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 13870:

"SPONSORSHIP

- *Player's sponsorship activities should reinforce the full expression of the trademark's imagery position and have relevance among the target market.*
- *Emphasis should be placed on racing activities for Player's.*

- *Activities that begin the process of re-allocating sponsorship dollars by reducing fixed event costs to increase media flexibility should be initiated.*
- *Opportunities to utilize image advertising in Sponsorship communication should be exploited.”*

p. 13874:

“SPONSORSHIP

All Matinee sponsorship communications should articulate the specific elements of Matinee’s imagery position.”

- **D-194 Craven A Ltd. 1995 Review – August 1995 (RBH-3761):**

p. 8592:

CANADIAN SPONSORSHIP REGULATIONS			
TABLE 8			
	<i>PRE-CTMC (1927-1971)</i>	<i>CTMC (1972-1988)</i>	<i>TPCA (1989-___)</i>
<i>Brand Advertising Restrictions</i>	<i>None.</i>	<i>No television/radio or celebrity endorsement. Ad spend indexed to 1971.</i>	<i>No brand advertising.</i>
<i>Role of Sponsorship</i>	<i>Sponsorship promotes local sales initiatives</i>	<i>Sponsorship circumvents spending, celebrity and broadcast restrictions</i>	<i>Companies only allowed to promote event sponsorships.</i>
<i>Competitive Response</i>	<i>Limited investment.</i>	<i>Investment made in stadium signage and broadcast events.</i>	<i>Investment made in broadcast programming and image (non-event) communication.</i>

p. 8593:

CANADIAN SPONSORSHIP REGULATIONS	
TABLE 8	
<p><i>Table 8 summarizes the effect of increased advertising restrictions on the importance and use of sponsorship.</i></p> <p>Observations:</p> <ol style="list-style-type: none"> 1. <i>Initially (1927-71) sponsorship played a relatively small promotional role. Investment was limited and events were used primarily to support local sales efforts.</i> 2. <i>With advertising self-regulation (1972-88) sponsorship took on increasing importance. ITCO increased investment in stadium signage and nationally broadcast events to augment print and out of home advertising.</i> 3. <i>Today (1988-) sponsorship is the only means whereby company trademarks can be exposed to the public. The image of the activity and the broadcast exposure received in large part determine trademark awareness. ITCO event inventories are being streamlined and investment is being made in broadcast programming and broad scale image communication."</i> 	

- **D-170 Strategic Plan 1997-1998, Sales & Marketing (RBH-1134):**

p. 2754:

“CONSUMER COMMUNICATION

Utilize brand/sponsorship advertising and all merchandising vehicles effectively to reinforce the desired image and created visibility/awareness behind key trademarks.”

p. 2831:

- **“Increase English sponsorship relevance, intrusiveness and magnitude of lifestyle communication by:**

- i) *Fine tuning of the core nature of sponsorship and reducing the cost of the radio program at the same time*
- ii) *Increasing the high profile perception of sponsorship by maintaining strategic 19-34 imagery delivery through primary visual media.”*

- **D-205 (RJR-418) RJR MacDonald Inc. Export ‘A’ 1997 Marketing Communications Plan, October 16, 1996:**

p. 80151 0574:

“4.5 Sponsorship Strategies

The role of sponsorship is to support the brand's positioning by connecting with activities which reflect the expression of confidence and individuality represented by the brand.

In order to communicate Export 'A's association with individual sponsorships the minimum amount possible will be allocated to sponsorship operations in order to retain the maximum amount for working media.

All spending will be aligned relative to regional priorities.

Sponsorship will also be used to create a presence for the brand amongst "Influencers" in the category.

47. Par le biais de la commandite et des témoignages de célébrités, les demanderesse associent leurs marques de cigarettes aux héros de la jeunesse.

- **D-171 Marketing Research Debrief – August 1994, An Investigation of factors contribution to the growth of du Maurier (RJR-88):**

p. 80093 9368:

"Auto Racing

Association with Player's is strong

Speed and excitement suggests a young, adventurous audience

Skews male both in terms of imagery and interest"

- **D-180 Consumer Research Library – presented to Imperial Tobacco Ltd – May 8th 1990 (ITL-131):**

p. 13242:

*"If a cigarette brand wants to use such sponsorships to increase the modernity of its image, it must pay particular attention **to the interests of the young public.**"*

p. 13279:

*"- sponsorships (help the brand's image of being a good corporate citizen more than the image of modernity; **sponsorship of events young people attend, music, leisure activities...**);"*

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 14029 :

«ÉQUIPE AUTOSPORT PLAYER'S LTÉE/LTD. RACING TEAM

STRATEGY #3

EXPLOIT THE ESTABLISHED VILLENEUVE NAME IN ALL FORMS OF THE MEDIA. CONTINUE TO EXPLOIT THE MANY BROADCAST OPPORTUNITIES.

- *Television schedule*
Promotional/Commercial spots
- *60 second moment – “Salute the great moments in racing of the legendary Gilles Villeneuve”.*

“Who is it rejuvenate the Villeneuve legacy and following the next generation”

p. 14031:

« ÉQUIPE AUTOSPORT PLAYER'S LTÉE/LTD. RACING TEAM

STRATEGY #4

DEVELOP PROMOTIONAL PROGRAMS DIRECTED AT THE PLAYER'S LD. TARGET MARKET.

- *Life size cut-outs of Villeneuve/Bourbonnais.*
Arrange promotions with National Chains (Tim Horton's, The Keg, Den For Men, Canadian Tire, etc.)
These promotions would be directed at local markets such as Vancouver, Toronto, and Halifax.
- *The prize package would include:*
 - *Personally meeting both the Drivers and Team.*
 - *Accreditation / Hotel / Transportation / Clothing.*
 - *Opportunity to participate with the Team in the Pits.*
 - *Eligible for the Grand Prize to attend the final race in Monterey, California on October 3rd.*

48. La publicité de commandite est conçue pour être publiée et diffusée à longueur d'année, peu importe la durée de l'événement auquel elle est associée.

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 3928:

“1994/95 BUSINESS ASSESSMENT – BELVEDERE

SPONSORSHIP

Objectives

1. *Increase the awareness of Belvedere Ltd. Rock and its image with target consumers.*

2. Continuity of presence throughout the fiscal year in Belvedere's major markets (Quebec, Atlantic & Thunder Bay)
3. Greater local media coverage of sponsorship events and promotions
4. **Maximize sponsorship exposure and imagery in locations and social situations frequented by target consumers**

p. 3933:

*"Belvedere must **solidify its year round program elements** to realize the full potential of the sponsorship's imagery and exposure opportunities."*

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 14032 :

**“ÉQUIPE AUTOSPORT PLAYER'S LTÉE/LTD. RACING TEAM
WHY MOTORSPORT FOR PLAYER'S LTD.?**

4. Television exposure – Fifteen (15) races of which three will be live. TSN and RDS will broadcast these races in Canada and ESPN in the United States. The television package helps expand the period of exposure across Canada. Player's Ltd. will also have promotional / commercial bumper inventories."

- **D-193 (RJR-708) Lettre de Éric Blais – v.p. Director Strategic Planning de Harrold & Mirlin – à Mme Daphne Bykerk, Vice President Marketing RJR-Macdonald Inc., September 16, 1996:**

p. 80154 2472:

*"The plan is to identify approximately twelve events, festivals and celebrations in Québec which are attractive to our target. The mix should be representative of the various regions of the province and deliver a year round presence for the brand. **The ideal event offers a strong advertising image to support the brand promise**, costs the least to acquire and involves the minimum coordination with the organization responsible for the event."*

- **D-195 RBH Strategic Plan – 1994-95. Sales & Marketing, October 1993 (RBH-1144):**

p. 5439:

1. Appeal to younger consumers than current franchise.
2. Reflect desired brand character and enhance image.
3. Provide major market presence in line with business development.
4. **Broadscale appeal.**
5. Focus spending on consumer exposure vs. event production.
6. Generate broad scale media support and in-store impact.
7. **Provide year round support.**
8. Provide support in major urban centres.
9. Allow sales to build trade relations.

CRAVEN 'A'

- SPONSORSHIP CRITERIA** 10. Event should be fielded in 1992/93 due to TPCA pressures.

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 3839:

Rothmans Sponsorship Criteria

	<i>Formula One</i>	<i>Film</i>	<i>Horse Racing</i>
1. <i>Appeals to younger adults vs the current franchise</i>	.	.	x
2. <i>Reflects the desired brand character and enhances image</i>	.	.	?
3. <i>Provides major market presence in line with business development</i>	?	.	?
4. <i>Broad appeal against target group</i>	.	.	?
5. <i>Focus on spending on consumer exposure vs event production</i>	x	.	?
6. <i>Generates extensive media support and in-store impact</i>	.	x	.
7. <i>Provide year round support</i>	.	.	X
8. <i>Provide support in major urban centres</i>	?	.	X
9. <i>Does not go head to head against direct competition</i>	x	.	.
10. <i>Allows sales to build trade relations</i>	.	.	.
11. <i>Does not compete against ourselves</i>	?	?	.
12. <i>Not a secondary play</i>	?	.	.

- *Delivers*
- ? *Partially Delivers*
- x *Does Not Deliver"*

- **RF-33 (RBH-1129) Marketing Plans 94/95:**

p. 1821:

"Film – Proposed Sponsorship – Montreal

*The film concept will consist of two core elements: The Film Festival involvement, that will legitimize the Rothmans brand in film and a continuity program, the key component of our film association, that will be capable of providing **extensive reach and year round extendibility.**"*

p. 1823:

*"The strategic alliance with Canada's largest theatre chain will provide Rothmans the opportunity to gain valuable advertising presence through the **execution of promotions year round.**"*

p. 1824:

"ROTHMANS TRADEMARK

Activity #2 – Film

Objective

Develop the detailed plan for film with focus on younger audience."

- **JPB-29 (ITL-66) Communication Plans 1996:**

p. 23805:

“1996 OBJECTIVES (con’t)

7. ***Develop a communications plan which continues to expand the exposure for Player’s Ltd throughout the calendar year***
 - *The Player’s Ltd racing program is well suited for continuous coverage in most forms of media and the following items will key this success”*

- **D-181 Autosport Player’s Ltée racing Study (ITL-62):**

p. 11849:

“BENEFITS (cont’d)

- *Doubles period of brand marketing activity*
- *Facilitates increase in television schedule and coverage*
- *Has significant long term potential for Player’s Ltd.*
- *Is the right sponsorship at the right time”*

- **D-205 (RJR-418) RJR MacDonald Inc. Export ‘A’ 1997 Marketing Communications Plan, October 16, 1996:**

p. 80151 0575:

“Festivals & Celebrations

*Sponsorship of approx. 16 festivals, competitions and celebrations throughout the province. Each event is strongly linked to the community, has a distinct “Québécois flavour” and offers **associations with sports/lifestyle** which are consistent with the brand positioning. **These events will be advertised throughout the year using outdoor posters in key markets.”***

49. La publicité de commandite, qui est diffusée partout, atteint la population dans son ensemble, ce qui contredit les affirmations des demanderessees qui déclarent ne viser que les fumeurs.

- D-100 :



- D-101 :



- D-102 :



- **D-103 :**



50. Les sommes consacrées à la commandite sont destinées prioritairement à la publicité et en second lieu à l'événement lui-même.

- **D-195 RBH Strategic Plan – 1994-95. Sales & Marketing, October 1993 (RBH-1144):**

p. 5381:

“SPONSORSHIP

- *Focus spending against maximum consumer exposure as opposed to event production.”*

- **P-49 Broad Strokes Plan 1992 (ITL-267):**

p. 16360:

“Ideally, the majority of our spending, about 65%, should be allocated to media and about 35% to event costs. Today, the split is about 20% vs 80%. It is understood the target may not be attainable in 1992. However, we do need to begin the process to maximize our communication opportunities in the future.”

- **D-198 Sponsorships – Communications Plans – 1994 – ITL (ITL-178):**

p. 14435:

“1994 COMMUNICATIONS PLAN

OVERALL OBJECTIVE:

To reach our target consumers with messages through the advertising media as effectively and efficiently as possible.

SPECIFIC OBJECTIVE:

- *To communicate relevant sponsorship imagery to its target group – national versus local.*

- **To maintain year-round presence of this imagery on a national basis.**
 - To date no one has been able to measure the impact (numerically) on the effect of loss of media on awareness figures.
 - Too many variables – i.e. time
 - Attempt will be made to understand impact of decisions.
 - To maximize impact with available budget.
 - A secondary objective is to promote ticket sales for the events.”
- **D-205 (RJR-418) RJR MacDonald Inc. Export ‘A’ 1997 Marketing Communications Plan, October 16, 1996:**

p. 80151 0574:

“4.5 Sponsorship Strategies

The role of sponsorship is to support the brand’s positioning by connecting with activities which reflect the expression of confidence and individuality represented by the brand.

In order to communicate Export ‘A’s association with individual sponsorships the minimum amount possible will be allocated to sponsorship operations in order to retain the maximum amount for working media.

All spending will be aligned relative to regional priorities.

Sponsorship will also be used to create a presence for the brand amongst “Influencers” in the category.”

51. La commandite sert de prétexte aux demanderesses pour faire de la publicité à la radio et à la télévision.

- **D-192 Export ‘A’ Inc. – How Do We Build A Success Story, 1997 + Beyond (RJR-705):**

p. 80150 3496:

“SPONSORSHIP PROGRAM

Overview: The role of sponsorship is simply a means to an end to allow us to advertise.

SPONSORSHIP = ADVERTISING

WHY IS IT CRITICALLY IMPORTANT?

- Brand advertising restrictions
- Sponsorships:
 - Reinforce brand strategy
 - **Provide broadcast brand i.d.**
 - Focus in-store communication”

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 13907:

“COMMUNICATIONS EVENTS – PLAYER’S LTD.

STRATEGIES

- *Pursue alternate television coverage, live where possible, incorporating the brand characteristics and imagery.*
- *Review event costs and re-channel to communications. Eliminate those activities that do not enhance the imagery.*
- *If television coverage is live and Series based, investigate the opportunity for highly targeted, image commercials on Player’s Ltd. Racing.”*

p. 13913:

“COMMUNICATIONS EVENTS – MATINEE LTD.

STRATEGIES

In television, where appropriate, introduce brand characteristics and imagery.”

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 2040:

“ROTHMANS – MARKETING PLAN

ii) **Film Program**

To re-establish Rothmans image among younger smokers. Key markets, in priority are Toronto, Montreal and Vancouver with a secondary media based national promotional component. Event promotion and media spending will be media based against mainstream Male/Female population 18+.

ACTION STEPS:

- *Legitimize event umbrella (Rothmans Ltd. Film)*
 - *Montreal/Toronto/Vancouver events*
 - *Canadian Film Centre*
- *Promote event umbrella using youthful film imagery*
- *Broadcast film imagery via movie related programming targeted at youthful smokers eg: Movie Television”*

p. 2081:

“SPONSORSHIP

ACTION STEPS

Develop a media program for Quebec and the Maritimes to deliver on-going image and awareness to 18-24 target consumers through the use of mediums such as MusiquePlus and Radiomutuel.”

- **RF-51 (RBH-1138) Belvedere Rock Event Post-Evaluation – May 31, 1996:**

p. 10380:

“Media Program/Exploitation

*An extensive media program was assembled to provide maximum impact to Belvedere Rock through a number of channels. Please refer to the Auger Babeux Post-Mortem for a detailed description and discussion of the media channels exploited. **As summarized in this post-mortem, the combined reach/frequencies for the campaign ranged from 96.6% reach with a 50.1 frequency for Moncton to 99.2% reach with a 96.9 frequency for Quebec City.** I believe that this campaign was effective and well executed, especially when supplemented by the Print and POS campaigns and in consideration of the missing TV Component.”*

p. 10381:

“1. Television

Television was chosen to form part of the total communication mix for this program. Its role was to provide the perception of mass, total reach and credibility for the Belvedere Rock program.

A high quality and potentially effective spot was produced and aired for approximately four days before the decision was made by Senior Management to stop airing the ad in light of the charged political environmental and media scrutiny at that time. The total media investment was not lost due to the replacement of the Belvedere ad with a spot from Rothmans F1.”

p. 10397:

“Media :

- *In terms of media coverage, we are very excited with the results. Despite the television flights being cut, the additional radio air time, combined with the Belvedere Rock creative plastered on buses all over the streets of Quebec and the Maritimes, the newspapers cleverly positioned full-page 4 colour ads ensured solid media coverage to our target audience and played an important role in our objective, in raising both awareness and excitement. »*

CONCLUSION :

- ***The Belvedere Rock Spring Tour was successful in the building of a sponsor image which is consistent with Belvedere Rock’s target key personality attributes : cool, hip, young and edgy.”***

p. 10399:

*“In terms of the television creative/production, while the concept as well as the execution were approved by the Client, **RBH Management later feared that the targeted audience may have seemed borderline in terms of legal guidelines (age), therefore the spot was removed from the air in all***

markets. *Despite television production not being planned for the Fall Tour, Agency will of course take note of the comments supplied by RBH Management for further reference.*

p. 10449:

“ON SITE EXPOSURE

*This is a huge venue to cover, with multiple railings on different balcony levels that requires significant manpower to complete P.O. S. placement. Three staff members were provided in addition to Paul Jewer and Steve Pulver who did a great job dressing the venue. Roll Banners were used extensively on railings and bar fronts. We also had Four LED signs strategically placed in the bar and we also had 2 (4x4) Backlights signs that were hanging in the front of the stage in order to achieve a maximum of exposure. Over 100 double-sided easels and 150 posters were placed throughout the Club, walls and washrooms. **I am pleased to say that none of these were left over after the event.** To compliment all of the above, we also had the use of approximately 20 T.V.s that had our logo all night!*

Staff were provided with T-shirts and caps for the evening (20 bar tenders, door staff, etc...)”

- **D-200 (RJR-682) RJR-Macdonald Inc. Inter-office Correspondence to Patrick Mispolet from Nancy Marcus, March 25, 1996:**

p. 80151 3320:

“The Export ‘A’ Inc. Skins Game

Background

*The Skins Game has become one of the top televised golf events in Canada over its three year existence (see appendix). **The event gives Export ‘A’ Inc. an unparalleled opportunity to “own” five hours of weekend television and represents a leveragable advertising opportunity in the two to three month window leading up to the event.***”

...

Executional Considerations

- **pre-promote the event as widely as possible for as long as possible prior to the actual event;**
- **target the general population (Adults 18-49) with the advertising, not just the golfing target;**
- **leverage the appeal and high profile of the world’s top golfers;**
- **create positive association between the event and the brand by way of advertising and in store trade presence.”**

- **JPB-29 (ITL-66) Communication Plans 1996:**

p. 23835:

“Controlling Television

There is no magic to controlling television, the concept is quite simple and based on being in control of what the audience sees.

As on outline let me review what a team sponsor might expect of a car running in 6th place. IndyCar will make all efforts to cover each team twice, once when they announce the race and once when the race is on. Clearly if you are not part of the lead group your coverage is limited. However with control of television one can guarantee oneself the following.

➤	<i>Promotional Bumpers by Network prior to race</i>	<i>4 minutes</i>
➤	<i>Show Opening Segment</i>	<i>1 minute</i>
➤	<i>Commercial Bumpers</i>	<i>1 minute</i>
➤	<i>Leader Boards</i>	<i>1 minute</i>
➤	<i>In show Segments</i>	<i>2 minutes</i>
➤	<i>Pit Action with dedicated cameraman</i>	<i>2 minutes</i>
➤	<i>Post Race Interviews with driver</i>	<i>2 minutes</i>
		<i>-----</i>
		<i>13 minutes</i>

This then will quadruple your coverage on the air."

52. La publicité de commandite sert à exposer la marque et à lui procurer la plus grande visibilité possible.

- **D-192 Export 'A' Inc. – How Do We Build A Success Story, 1997 + Beyond (RJR-705):**

p. 80150 3496:

"SPONSORSHIP PROGRAM

Overview: The role of sponsorship is simply a means to an end to allow us to advertise.

SPONSORSHIP = ADVERTISING

WHY IS IT CRITICALLY IMPORTANT?

- *Brand advertising restrictions*
- *Sponsorships:*
 - *Reinforce brand strategy*
 - *Provide broadcast brand i.d.*
 - *Focus in-store communication"*

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 3928:

"1994/95 BUSINESS ASSESSMENT – BELVEDERE

SPONSORSHIP

Objectives

1. *Increase the awareness of Belvedere Ltd. Rock and its image with target consumers.*
2. *Continuity of presence throughout the fiscal year in Belvedere's major markets (Quebec, Atlantic & Thunder Bay)*
3. *Greater local media coverage of sponsorship events and promotions*
4. ***Maximize sponsorship exposure and imagery in locations and social situations frequented by target consumers***

- **RF-33 (RBH-1129) Marketing Plans 94/95:**

p. 1865 :

"IMAGE OF SPONSORSHIP ACTIVITY ITSELF (ROCK MUSIC) AND ADVERTISING CREATIVE DEVELOPED FOR IT ARE "RIGHT ON" WITH 18-24 TARGET. VERY GOOD RESULTS WITH ROCK TOUR MATERIALS (3,000 POSTERS DISTRIBUTED/STOLEN AT CONCERTS)."

p. 1874:

"2. WITH RESPECT TO OUR ROCK SPONSORSHIP, WE MUST:

- A) *ACHIEVE CONTINUITY OF "PRESENCE" THROUGHOUT THE FISCAL YEAR.*
- B) *DO JOINT PROGRAMS WITH OTHER PRODUCTS/BRANDS, IN ORDER TO BENEFIT FROM THEIR BRAND IMAGE AND FINANCIAL RESOURCES.*
- C) *INCREASE OUR EXPOSURE OUTSIDE OF THE CIGARETTE STORE ENVIRONMENT."*

53. Les demandereses ont même envisagé créer leurs propres événements.

- **D-192 Export 'A' Inc. – How Do We Build A Success Story, 1997 + Beyond (RJR-705):**

p. 80150 3513:

*"As we move strategically beyond sponsorship, we believe **we can create ownable branded properties** that link more closely to our target group and cut across all broad sports interests. These properties will inherently give us branded communication opportunities."*

- **D-183 (RJR-721) Export 'A' – 1997 Communications Plan, September 9th, 1996 – RJR MacDonald:**

p. 80153 1146:

4. *Sponsorship Strategies (Cont'd)*
Selection Criteria

- *Strengthen brand image and positioning*
- *Ability to effectively communicate association through brand imagery*
- *Fit/relevance with primary target audience (19-24 yrs. old, 60/40 Male/Female)*
- *Fit/relevance with secondary target group (25-34)*
- **Ability to “own” event/activity**
- *Affordable*
- *Provides seasonal continuity*
- *Appropriate for tobacco”*

54. Les activités caritatives peuvent également être utilisées pour promouvoir la marque et son image.

55. ITL veut notamment conférer à la marque Matinée une image qui reflète l’altruisme et entend, pour ce faire, publiciser ses activités caritatives.

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 13913:

“COMMUNICATIONS EVENTS – MATINEE LTD.

STRATEGIES

Develop associate programs which will benefit the altruistic value.”

p. 13914:

*“In 1992, we will be converting the ladies tennis to Matinee Ltd. The demographic match here, while slightly too much male orientated, it is much more consistent. Efforts will be taken (i.e. ladies day) to encourage the female target. In this case, and because of the altruistic interests of Matinee, communications should include the amounts of money which go back into the development of Tennis in Canada. It could also be discussed with Tennis Canada that a portion of ticket sales (say \$1.00) could be directed to a designated charity – i.e. **Home for battered women**, etc.”*

- **D-177 RBH – 1994-95, Business Assessment, October 24-25th, 1994 (RBH-1138):**

p. 3994:

“Developmental Work

- *Currently evaluating a “Child Card” program*

Concept

- ***Packages would contain an insert displaying a full colour photo/description of a small child who has been reported missing***

***along with a 1-800 phone number to call if you have seen this child...
All with a Viscount brand image to it***

- *Viscount seems the ideal Trademark to leverage this given:*
 - *Female skewed*
 - *Small volumes (safer from government perspective)*
 - *Cost effective way to reach current (packs) as well as target smokers (Dbase)*
- *Details will be presented as part of the 95/96 Marketing Plan”*

- **JPB-44 (ITL-65) 1997 Communications Plans – Matinee and ITL Secondary Brands and related projects:**

p. 23551:

“Cause Marketing

- *Social Marketing for business is a methodology for influencing knowledge, attitudes and behaviour of target groups for social benefit and business advantage. It must be connected to corporate mission and values.*
- ***It’s an additional marketing opportunity to efficiently communicate with our consumers, through the activities of its operating companies, the corporate mission and characteristics with the objective of improving their perception on the trademark in long-term.”***

10. Le paquet

« *How bad could it be in a nice pack like that?* »¹⁸

56. Le paquet est un outil de promotion essentiel à l'industrie du tabac.
57. «Montre-moi ce que tu fumes et je te dirai qui tu es!»: le paquet est un "badge product".
- **D-166: Pollay, Richard, « How cigarette advertising work. Rich imagery and poor information»:**

p. 10:

"... after the promotional activities have given a brand and identity and meaning, with research to insure that this identify is indeed meaningful to a target consumer segment, the targeted consumer and others can easily acquire this "meaning" and display this to both themselves (reflexive) and others (expressive). The corporate documents reveal that this brand imagery plays a dual role: (1) providing the individual with a sense of self and (2) providing an identity when seen by others.

*In the cigarette category brand image is everything. **The brand of cigarettes a person smokes is their identity.** Cigarettes tell others who they are as a person. There is a strong emotional connection to the brand, the image it projects about the smoker, not only to themselves but to others. (RBH-003911, 1996, p.2)"*

- **D-224 (RJR-66) Marketing Research Debrief – Evaluation of the opportunity for American Brands in Canada, Prepared for RJR MacDonald, February 1995:**

p. 80094 8708:

"Badging

*In many categories, consumers are attracted to brands that communicate imagery they see as reflecting some aspect of their own personality. To serve as a badge, a product / brand must be something which the consumer feels he / she wants to utilize as a statement about themselves. **The decline in social acceptability of smoking in Canada has significantly impacted on the desire of smokers to use their brand of cigarettes as a badge.** The negative "badge" associated with being a smoker overwhelms any positive imagery conveyed by a particular brand.*

The exception to this would be those smokers in segments which are more comfortable with smoking in their peer group."

¹⁸ D-235 (JTI-1677) Research Export – Exploration of various design parameters Re: Export 'A' Pack re-design prepared for RJR MacDonald, June 1991, p. 80161 5818

58. Tout comme la publicité, le paquet est conçu pour déculpabiliser le fumeur.

- **D-235 (JTI-1677) Research Report – Exploration of various Design Parameters Re : Export ‘A’ Pack re-design prepared for RJR MacDonald, June 1991**

p. 80161 5809 :

*“Feelings of social rejection prompted some smokers to suggest that **the ideal cigarette design would make a contribution to alleviating their feelings of guilt.**”*

p. 80161 5818 :

“Feelings of social rejection prompted some smokers to suggest that the ideal cigarette design would make a contribution to alleviating their feelings of guilt. Suggested solutions varied from innocuous designs, to light and healthy designs, to designs which would contribute prestige to smoking.

“I like the idea of [conveying] quality, because everybody at my work is a non-smoker. I tell them it’s the quality of life, not the quantity of life. That’s my argument. I want the quality aspect shown.”

*“You’d think; **“How bad could it be in a nice pack like that?”** Somehow it doesn’t seem so harmful.” “*

59. Outre les données dont la présence est prévue par règlement, le paquet ne transmet aucune information valable au consommateur quant au produit. Le paquet sert plutôt à véhiculer une image ou des valeurs.

- **D-235 (JTI-1677) Research Report – Exploration of various Design Parameters Re : Export ‘A’ Pack re-design prepared for RJR MacDonald, June 1991:**

p. 80161 5810 :

*“**The primary attributes conveyed by cigarette packaging are : gender appropriateness ; socio-economic appropriateness ; and strength.**”*

p. 80161 5830 :

*“Besides strength, **package design can make an inferential statement that, in relative terms, the brand is a more clean and healthy alternative.** The amount and distribution of white space makes a major contribution in this regard. The Player’s Light and Extra Light designs are described as conveying a more clean and healthy look. Although they have as much white space the same imagery is not communicated by Number 7, Rothmans or Mark Ten.”*

11. Le “merchandising”

60. Par «merchandising» on entend l'utilisation de marchandises ou autres biens sur lesquels apparaissent des marques de commerce ou logos des produits du tabac.

61. Le «merchandising» a pour but de diffuser l'image de la marque le plus possible : la répétition est la clé de la persuasion.

- **LN-62 (RJR-837):**

80154 0983:

“EXPORT ‘A’ REPOSITIONING: BRANDED MATCHES PROGRAM

OBJECTIVE: *To extend brand imagery and further maximize new packaging awareness at retain during the Export ‘A’ launch period.*

STRATEGY: *Develop a cost effective and time efficient mechanism to maximize the new pack design awareness while communicating “Fresh New Look, Same Satisfying Taste” message.*

Utilize the Eddy Match Retail Advertising Program as a turn key operation to replace industry low end matches with quality customize branded matches and automatically distributed to over 30,000 tobacco retail accounts.

PROGRAM: * *8000 cases of matches (2500 matchbooks / case) distributed to retail via wholesalers.*

* *In-market starting March 1st for a 4 to 6 week retail presence.*

* *Premium quality matches (20 per book), pack graphics on exterior of matchbook and printed message inside, decorated tray and overwrap.*

* *4 cases per rep on a national basis (10,000 matchbooks) will be aside for their distribution, these caddies (tray) will feature a Export ‘A’ customize header card.*

DISTRIBUTION: *2100cs West, 2550cs Central, 2825cs Quebec, 425cs Atlantic, 50cs Bar Program*

BUDGET: *\$150M*

EXPECTED RESULTS: *200MM matchbooks, up to 400mm impressions against smokers.”*

- **D-166 Pollay, Richard, « How cigarette advertising work. Rich imagery and poor information»:**

p. 12 ¶5.4:

ADisposable lighters are excellent communication vehicles. A lighter is like a mini walking billboard that the consumers look at each time they light a cigarette. A disposable lighter will also change hands 3 to 4 times during its life span. Therefore, for each lighter sold we reach 3 to 4 consumers and we send them a message 20-25 times a day. Quite a nice piece of communication that fulfil consumers= needs and allow us to make some money as well.@ (ITL-214, AMemo dated Sept. 4/96,@p.1-2)"

- **D-196 Sponsorships – Communications Plans – 1992 – ITL (ITL-176):**

p. 13907:

“COMMUNICATIONS EVENTS – PLAYER’S LTD.

STRATEGIES

In all support materials, brochures, etc. include where appropriate:

- *Mention of John Player and Sons*
- *Tradition (30 Years)*
- ***Portray image of self expression of freedom and independence and self reliance/independence.”***

p. 14002:

“MERCHANDISING

*Although relatively unknown to our organization the use of merchandising has been an effective tool for various corporations internationally. (Hugo Boss clothing is an extension of its corporate imagery). **Merchandising is an inexpensive way of broadening ones scope, into non traditional areas, such as sporting goods stores, bars, automotive centres another areas where the target market would shop.** There are two elements to merchandising which are driven by separate types of items:*

1. *Motorsport fans will be driven to buy items from winning teams and home town heroes.*
2. *The general target will be driven to buy items which position them against the image they wish to have. Fashion items not motorsport will drive these sales.”*

- **RF-45 (RBH-1128) Marketing Plans 93/94:**

p. 1554:

“RATIONALE

- *Merchandising is a key element to influence consumers purchase patterns by **keeping brand awareness top of mind and enhancing image.***

- *TPCA regulations make merchandising one of the critical marketing tools left.*

- **D-170 Strategic Plan 1997-1998, Sales & Marketing (RBH-1134):**

p. 2754:

“CONSUMER COMMUNICATION

- *Utilize brand/sponsorship advertising and all merchandising vehicles effectively to reinforce the desired image and created visibility/awareness behind key trademarks.”*

- **RF-42 (RBH-1212) Benson & Hedges Fireworks:**

p. 7414:

« I think that brand visibility could be increased and enhanced. A lot of opportunities could be explored, here are just some ideas.

- *Small signs spread on site to indicate best viewing points.*
- *Big banners on fences and streets around the site.*
- *VIP area “brand identified” and recognizable from outside.*
- *Hostesses and helpers in Benson & Hedges uniforms (with real brand identification).*
- ***Brand identified items given or sold to public (t-shirt, hats, flags, balloons etc.).***
- *Brand identified items offered or sold to all restaurants, bars, stores on or close to the site (umbrellas, matches, ashtrays etc.).*

Other more “creative” ideas:

- *Is it feasible to have **bombs exploding in the shape of the Benson & Hedges name** (I’ve seen heart shapes, so why not letters?).*
- *Plane flying over location with a long trailing B & H banner.*
- *Parachutists coming down with gold and black Benson & Hedges parachute and distributing Benson & Hedges “giveaways”*
- *B & H airship flying on site.”*

12. Les magazines et les journaux

62. Les demanderesses créent ou aident à la création de magazines qui servent à diffuser leurs publicités.

- **D-192 Export 'A' Inc. – How Do We Build A Success Story, 1997 + Beyond (RJR-705):**

p. 80150 3516:

“SPORTS ACHIEVERS MAGAZINE:

Create a branded sports magazine that covers all areas of sports achievements that is fully sponsored and available at newstand and via subscription either quarterly or monthly. It would feature a broad range of sports interests and could evolve or be targetted at more youthful sports.

- *sample cover and table contents (boards)*
- *self-funding via advertising*
- *builds an exclusive export “A” database*
- *further development of “A” list*
- *proprietary communication and merchandising vehicle*
- *also executable as a proprietary tv show or feature”*

13. Le cinéma

63. Pour contourner la TPCA, les demanderesses ont eu l'idée de promouvoir le tabac par le biais du cinéma.

- **D-226 (JTI-1678) RJR MacDonald Inc. Competitive Business Development Strategies for the 1990s – Draft:**

p. 80108 9819:

*“As well, the pressures of the TPCA advertising restrictions will present opportunities for companies who can successfully exploit promotional vehicles which are not “advertising” as defined under the TPCA. An example of this would be **the promotion of “lifestyle” imagery by the use of cigarettes in movies.**”*

p. 80108 9861:

*“Seek and exploit innovative promotional opportunities not covered by the TPCA, such as the **conveyance of lifestyle imagery through the use of cigarettes in movies**, and direct marketing of sweepstakes style vacation resort thematic promotions based on Export’s “escapist” brand image.”*

14. Les publications étrangères

64. Dans leur argumentation de 1989, les demanderesses ont plaidé que la TPCA se montrait irrationnelle en permettant la publicité du tabac dans les revues étrangères.

65. L'argument était factice car en réalité les Canadiens n'aiment pas le goût des cigarettes américaines, sans compter que le volume de pénétration des marques américaines venant des États-Unis est minime. Les demanderesses savaient donc que leur argument était tout à fait théorique mais elles n'ont pas hésité à le soumettre aux tribunaux et elles le répètent encore aujourd'hui.

- **D-222 ITL Marketing Plan – 1989 (ITL-431):**

p. 17531:

“Overflow advertising has been a strategic focus in the C-51 debate, but needs to be put in perspective. There is little evidence that we face any real threat from U.S. brands. Both taste and trademark ownership weight against this.”

- **D-226 (JTI-1678) RJR MacDonald Inc. Competitive Business Development Strategies for the 1990s – Draft:**

p. 80108 9861 :

“Examine the potential for marketing Export in the United States, in order to obtain the benefits of spill-over advertising.”

p. 80108 9873 :

“One immediate area of potential would be to market the Export brand name in the United States, in order to derive the benefits of spill-over advertising.”