Memorandum

Subject Telephone Interview with [redacted]

Date June 4, 1996

60-2096-0002

To Frito Lay Files

From Nina Hale

b 7D

[redacted] and has found that he is selling less and less in the stores every year because of exclusive promotions. He says he can not get a promotion on key week-ends because the stores say that they are already booked up.

Eagle was a big competitor of the [redacted] But Frito is now the main source of competition. [redacted] says that Frito's approach with stores is increase our sales by [redacted] percent and we will give you a rebate. Frito is the dominant player in terms of shelf space, but [redacted] says that he is in fact on most of the shelves in his area. He has a "nice spot" but it is not as visible as Frito is. Another competitor that he comes up against in his area is [redacted]

distribution: RWF, DNK, HALE, PTACEK, ALEXANDER - EAG, SWEENEY, JONES, BEN-DAVID, CASE, CHRON, ARCHIVE

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[redacted] does very little promotion outside the store because it is not cost effective. There was a time when he looked into TV ads and coupons but found that they simply did not make the kind of money that he needed to spend to get that sort of advertising. I asked [redacted] how much space he needed in a store in order to be competitive. He said that [redacted] He does promote his product by knocking [redacted] off each bag. He finds that the Store Managers basically get a sense of how products are selling in the store in what amount of space and come up with a list of how they want to allocate the space. As he said before, his product does have a small amount of space in basically all the stores in his area.

So/So #11471