

Annex 6

STATE EXPRESS 555

The following information has been compiled to broaden one's understanding of the State Express Program as it transpired in 1982-1983.

Product:

State Express 555 (King Size)
Cartons of 200's
Packages of 20's
Case Size (25 cartons per case)

Wholesale and retail price was the same as other Imported brands at that time.

Programme:

Territory - Chinatown area of Vancouver
- 100 retail calls with an average weekly sales of between 50 and 150 cartons per week of all brands per store.

Distribution - Distribution was done by a sales representative on a Call Cycle Programme. However, H.Y. Louie Cash & Carry Wholesale and Heatley Trading also had a small amount of inventory in case the retailer ran short before our representative made his recalls.

Coverage:

50 calls during week 1, and the same 50 calls during week 3, giving us a coverage of every retail call twice per month.

Duration:

The duration of the program was 10-12 months over the 1982 - 1983 period.

In-Store Activity:

Counter displays were erected in 28 of the 60 stores for this period with the cost of merchandising at \$15.00 per month, per display, per outlet.

In the other 32 calls, they tray style carton was used primarily because the counter display space was unavailable. For this we paid \$15.00 for a 2-month display per outlet.

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Results:

Sales, of course, generally varied due to the volume of the account. At best, they did not reach above the 1% of the total sales.

Sales were generally obtained by package purchase only with few cartons being acquired.

Total sales per month were between 4 and 5 cases (25 cartons per case) and tended to remain relatively level over this period.

After the period of approximately one year, the programme was discontinued.

It should be noted that the primary focus area was downtown Chinatown. Today we have a much different scenario with the Asian population spread across the lower mainland. Outside the Chinatown area, Oakridge, Richmond, West Side of Vancouver are now areas with large Asian population.

The population in 1983 was 2,805,400. Of that amount, there was 53,105 Chinese & Japanese.

The population in 1989 is 2,954,300. Of this amount, there is 100,790 Chinese & Japanese.

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