

Business Notes



A show of support in Charleston

STRIKES

Wildcatting in The Coal Fields

After smoldering in the coal fields of Virginia and West Virginia for two months, a strike by 1,500 miners against the Pittston Coal company

flared last week into a fast-spreading wildcat walkout. More than 20,000 union miners struck in sympathy with the Pittston workers, shutting down mines in six states from Pennsylvania to Tennessee.

The Pittston miners worked without a contract for 14 months after the firm demanded cost-cutting changes in work rules and health and pension benefits. Last week United Mine Workers president Richard Trumka called upon other labor unions to support the strike. Speaking at a rally in Charleston, W. Va., attended by leaders of the airline-machinists and communications-workers unions, he said, "It's time that we stood up as a large family and fought back." But so far, it is mostly the miners who are aflame. ■

CRANBERRIES

Not Crazy About Craisins

Those funky singing California raisins may be in for some competition from a new kid on the block: the Craisin. Invented by Ocean Spray, a Craisin is a cranberry that has been dried and sugared to sweeten its tart flavor. The product is innocent enough, but the Craisin name has turned raisin producers sour. California growers, who spent \$25 million last year promoting raisins, think Crai-

sin is a rip-off. "If it's a cranberry, why don't they call it a cranberry?" asks Don Martens, a member of the California Raisin Advisory Board.

But Ocean Spray, based in Plymouth, Mass., believes the growers' fuss is fruitless. It says there will be no confusion between the two products, since labels



Ocean Spray's new scoop

will read CRAISIN DRIED CRANBERRIES. Craisins will be sold as a snack and as an ingredient in other foods. They can also be found next month in a new Ralston Purina breakfast cereal. But the real question is, Can they sing? ■

CONTESTS

Everyone's a Winner (Oops)

Kraft made a lot of its customers ecstatic last week, then made them furious. In the company's Ready to Roll con-

test in Chicago and Houston, readers matched game pieces in a newspaper ad with ones on specially marked packages of cheese. Only a few were supposed to match, but a printing error produced millions of potential winners. Worse, hundreds of people thought they

had won the grand prize: a \$17,000 Dodge Caravan. In response to customer complaints, the food giant offered a compromise: \$250 in cash for winners of the van, lesser amounts for the other winners, and a drawing for four times the original number of prizes. ■

FINANCIAL MARKETS

Rubber Checks On the Bourse

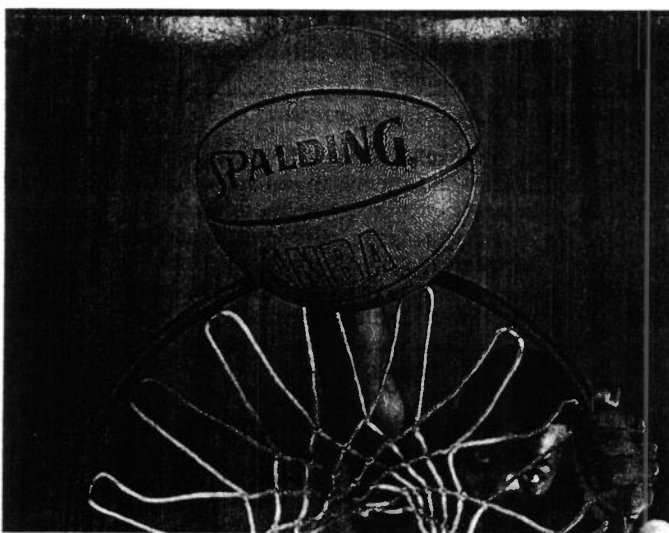
Among wealthy Brazilians, such pastimes as sunbathing and the samba have been joined lately by stock-market speculation. Since May 1987 the bourse in Rio de Janeiro has jumped almost 400%. Lebanese immigrant Naji Robert Nahas, who alone accounted for nearly half of the market's trades in recent weeks, brought Brazil's bulls to a halt last week after several brokerage houses discovered that \$31 million of his checks had bounced on them. To avoid a bearish stampede, the Rio and São Paulo markets were forced to close last Monday. When trading resumed the next day, the benchmark I.B.V. index plunged 9% and ended the week down 32%. Nahas is a past master of shady finance: three years ago the U.S. Government fined him \$250,000 for his role in manipulating silver prices. ■

PRODUCTS

Hey, This Apple Pie's an Import!

The Detroit Pistons may have won the N.B.A. championship last week, thanks to their Motor City moxie, but they couldn't have done it without a contribution from South Korea. How's that? Despite the all-American Spalding name on N.B.A. basketballs, they are made in South Korea. In fact, many products with red-white-and-blue names are manufactured abroad, including Rawlings baseballs (made in Haiti), Bell telephones (Singapore and Taiwan) and the Pontiac Lemans (South Korea).

Now a Maryland-based group called the Made in the USA Foundation plans to compile a list of popular products and their place of manufacture for a forthcoming book titled *Made in the USA: A Cat-*



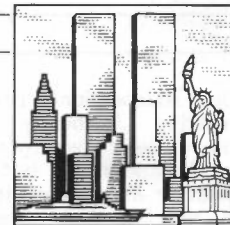
A high school player in Manhattan tips in one from the Pacific Rim

alog of the Best American Products. Joel Joseph, the group's founder, plans to contrast such U.S.-made goods as Levi's and Macintosh computers with ringers that include Perry Ellis "America Series" shirts

(made in Mauritius) and Rockport shoes (Portugal and Taiwan). Joseph is lobbying for legislation that would require advertisers to disclose where their products are manufactured. ■



Nahas: one-man bull stopper



AMERICA DIGEST

P&G thwarted by Clorox campaign

By Juliana Koranteng

Procter & Gamble has dropped its campaign to stop Clorox from entering the detergent and liquid bleach market.

P&G, which commands nearly seven per cent of the bleach market with its powdered bleach, Biz, launched Lemon Fresh Comet in February last year to boost its market share. Tests in Indianapolis proved that the share could increase to 20 per cent.

According to analysts, the move was meant to discourage Clorox from launching the

bleach-added Clorox Super Detergent in April last year. But Clorox succeeded and now commands about four per cent of the market for a product used by 20 per cent of the US population.

Clorox was undeterred by P&G's move even when the latter sold its Lemon Fresh Comet at a huge discount to boost sales.

The Clorox competition has been effective and has forced P&G to discontinue Comet.

P&G now plans to fight Clorox Super Detergent with Tide



Cleaners: P&G turns with Tide

with bleach, another version of the Tide powder detergent (containing bleach) through a \$50m TV, print, and promotions campaign by Saatchi & Saatchi Advertising. □

Kraft has to cough up. . .

Kraft has had to dig deep into its pockets after a consumer promotion went awry.

The contest, "Ready to Roll", came to a grinding halt when it was discovered that a printing error had made almost everyone a winner in the Chicago

and Houston areas, where the sweepstake promotion for Kraft Singles cheese was launched.

Kraft's first reaction was to declare the competition null and void — and to blame its suppliers for the fault.

"It was so obviously unintentional", explains Kraft spokeswoman Kathy Knuth.

But matters took a nasty turn when hordes of irate customers phoned in to claim their prizes — 100 alone for the top prize, a \$17,000 Ford Caravan — only to be told there had been a "mistake". Several did not see the joke and filed suits.

Within a day the company was modifying its position and offering cash compensation of up to \$250 for players with the right matching game pieces □

... but helps to launch charity card

Kraft General Foods, the Marine Midland Bank and ice cream manufacturer Breyers are issuing what is believed to be the first US package-goods affinity credit card this month.

Affinity credit cards are normally linked to charity groups. Unlike other charity-linked affinity credit cards, this venture will also be used as a marketing drive for Breyers, a profit-making organisation.

Breyers' agency, Young & Rubicam, has prepared ads for TV Guide, People magazine, and special newspaper inserts. This card is being announced on the Children's Miracle Network Telethon on various TV networks.

For every card issued during the telethon, Breyers is contributing \$2 to a children's charity. Breyers and Marine Midland is also donating a percentage of user charges. □

VCR duplicators get Far Eastern blessing

Remember all the trouble Alan Sugar had with his twin tape-recording decks and the copyright law? Well a similar product development has occurred on the VCR front — and has just made its appearance at the Chicago Consumer Electronics Show amid considerable excitement. Now you can duplicate your pre-recorded movies with ease, thanks to tiny Arizona-based Go-Video. Not surprisingly the Japanese big boys (who control manufacture of vital VCR parts) were initially playing hard to get. Until, that is, Go-Video sued 15 Japanese and Korean makers, plus the Hollywood studios, claiming restrictive trade practice. Korea's Samsung was the first to buckle under and agree to manufacture the missing parts. VCR-2 should be on sale in US stores by Christmas.

NY thumbs-down to classroom ads

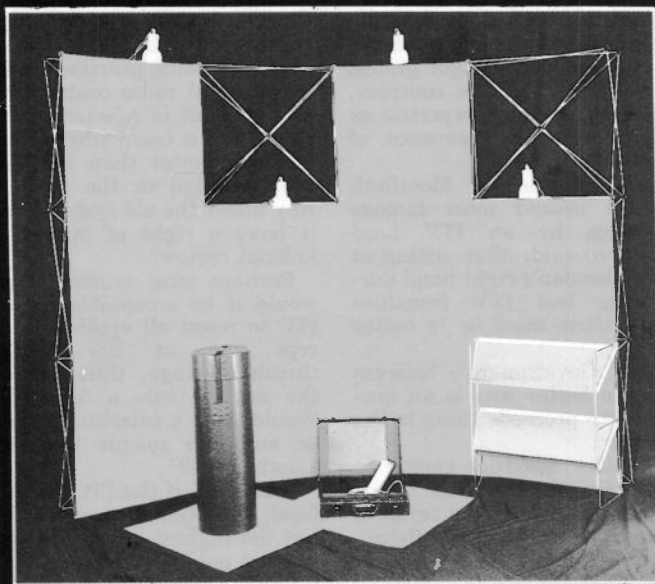
The Whittle Communications saga (*Marketing Week*, June 16), took a new twist after the New York Board of Regents unanimously voted to ban any ad-based TV programmes from state classrooms — a potential setback for Whittle's pioneering Channel One. Whittle chairman, Chris Whittle, was unfazed. "We will move forward. There are 20,000 high schools in America."

Oral hygienists get government warning

The US Food and Drug Administration has given dental-rinse manufacturers a rap over the knuckles for irresponsible product claims. The government agency has warned that unless Warner-Lambert, maker of Listerine, and Pfizer Inc and Key Distributors, which market Plax and Plak Attack, stop claiming their products fight plaque and gingivitis, the offending oral rinses may be seized from stores. Most of the concerns have stuck to their guns — and their advertising — in response to the FDA threat. Watch this space.

Edited by Martin Croft

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