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OUTLINE
• Case Summary
• Company Background
• Problem Definition
• Company
• Competitor
• Customer
• Alternative Courses of Action
• Proposed Recommendations
• Case Questions
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Procter and Gamble's Background
• Company Philosophy
• P&G markets it's products in over 140 different countries
• Net earning of $1.6 billion in 1990
• Canadian subsidiary contributed $1.4 billion in sales and $100 million in net earnings
• Between 1987 and 1990, worldwide sales of P&G increased by $8 billion
Statement of Purpose and Strategy (highlights)
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Case Summary
• Gwen Hearst became Scope's brand manager in 1988
• Scope held a 32% market share in 1990
• Since it's introduction in 1988, Plax had gained a 10% market share of the product category and posed a threat to Scope
• Scope and Plax offer two different competitive advantages
Problem Definition
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Oprah Winfrey
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Procter and Gamble's Background

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Statement of Purpose and Strategy (highlights)

- "We will provide products of superior quality and value that best fill the needs of customers"
- "We will concentrate our resources on the most profitable categories and on unique important Canadian market opportunities"
- "We will continuously stay ahead of competition while aggressively defending our established profitable businesses against major competitive challenges despite short-term profit consequences"

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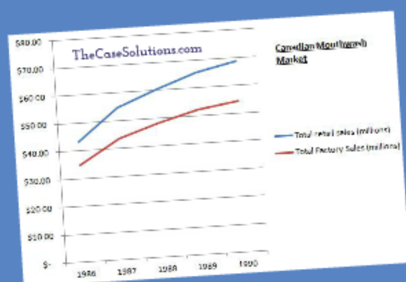

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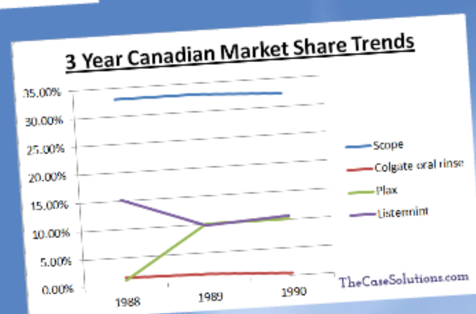
Canadian Mouthwash Market Shares

	Units 1988	1989	1990	1990 Average Food	1990 Average Drug
Scope	33.00%	33.00%	32.30%	42.00%	27.00%
Listerine	15.20%	16.10%	16.00%	12.00%	19.00%
Listermint	15.20%	9.80%	10.60%	8.00%	12.00%
Cepacol	13.60%	10.60%	10.30%	9.00%	11.00%
Colgate oral rinse	1.40%	1.20%	0.50%	0.40%	0.50%
Plax	1.00%	10.00%	10.00%	8.00%	11.00%
Store Brands	16.00%	15.00%	16.00%	18.00%	15.00%
Miscellaneous other	4.60%	3.90%	3.70%	2.00%	4.50%
Total	100.00%	100.00%	100.00%	100.00%	100.00%
Retail sales (000,000)	$60.20	$65.40	$68.60	$24.00	$44.60



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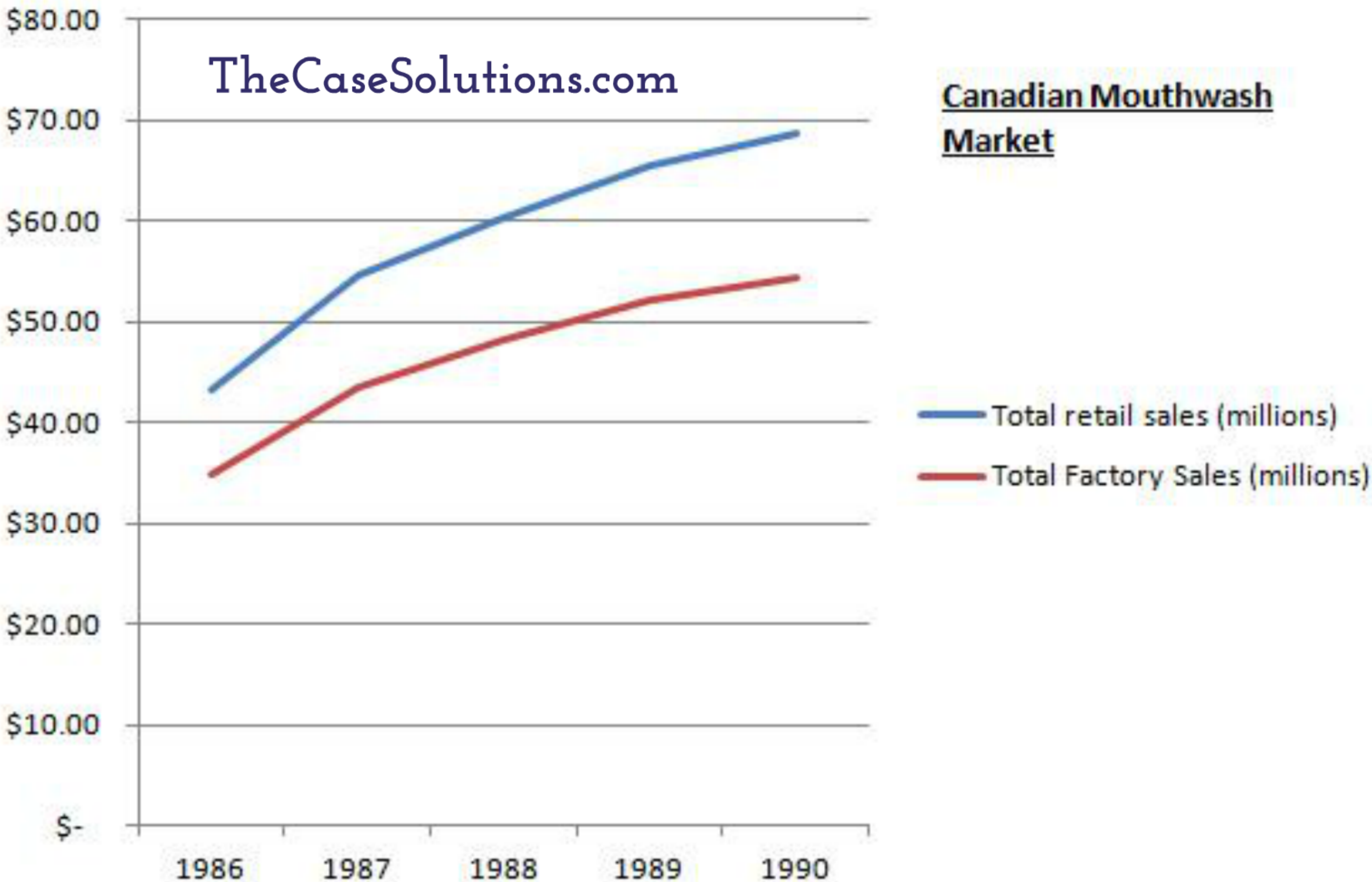
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Canadian Mouthwash Market
$80.00
$70.00
$60.00
$50.00
$40.00
$30.00
$20.00
$10.00
$-
1986
1987
1988
1989
1990
Total retail sales (millions)
Total Factory Sales (millions)

antages

Canadian Mouthwash Market Shares

	Units				1990 Average	
	1988	1989	1990		Food	Drug
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Miscellaneous other	4.60%	3.90%	3.70%		2.60%	4.50%
Total	100.00%	100.00%	100.00%		100.00%	100.00%
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adian Market Share Trends

3 Year Canadian Market Share Trends