

Memorex Contemplates New Markets as It Promotes Blank Audio Tapes

SANTA CLARA, CAL., Feb. 23—Memorex Corp., the big computer equipment company, has hired a bunch of Procter & Gamble brand men, is using some slick packaged goods merchandising techniques and is about to introduce on the national scene its first consumer product, blank cassette and reel-to-reel audio recording tapes (AA, Feb. 2).

In so doing Memorex' new consumer sales force is telling dealers that it will spend more to

general and specialty magazines). Ads have been appearing in *Newsweek*, *Playboy*, *Sports Illustrated* and *Time*, as well as hi fi magazines.

- Tv commercials show a Metropolitan Opera star hitting a high note and shattering a glass. His singing is recorded on Memorex tape, and when it's played back, the fidelity is good enough to shatter another glass. Leo Burnett Co., Chicago, created the ads.

In addition to Mr. Loser (who worked on Tide and Gain while at P&G), other Procter & Gamble alumni making up the Memorex consumer marketing team are Robert Jaunich, vp-general manager, who rode herd on Tide, Ivory Snow and Gain during his days in Cincinnati, and Barry K. Berghorn, national sales manager, who has worked at Estee Candy and Abbott Labs in addition to P&G.

The Memorex marketing team has been together only about a year, and Memorex was anxious to get into distribution with its tapes as fast as possible because it wants to be in on the ground floor of the "explosive growth" they see for reel-to-reel and cassette tapes in 1971. "There's an intense degree of interest" in the market, said Mr. Loser.

- Another reason for Memorex' interest in the consumer market is to broaden the base of the company. It has always been head to head with IBM, and it now wants to redeploy some of the expertise it's picked up in computer disc packs and magnetic tapes.

If things work out for the new line of audio tapes — and Mr. Loser said sales were "ahead of objectives" in test market — it may "very well" lead to a subsequent effort in the video tape market, he said. #



advertise the tapes than anybody else, including 3M Co. and Ampex. James P. Loser, director of advertising and promotion for the consumer products division, told ADVERTISING AGE that Memorex will invest about twice as much on advertising as the entire market spent in 1969, or somewhere between \$500,000 and \$1,000,000.

The company has been test marketing the tapes in the western parts of California, Washington and Oregon since the fall. It's used a combination of standard package goods merchandising (initial dealer allowances, a buy-one-get-one-free offer) and advertising (spot tv, fm radio, and

