

## Godfrey Phillips enters new markets

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After consolidating its position in the northern and western regions for over the years, Godfrey Phillips India (GPI), the second largest cigarette manufacturer, is targeting 20% market share in the next three years as against 12.5% now. The company sees that its recent entry into eastern and southern markets would pep up its growth over the years.

The company said that it does not believe in selling its products through illegal or surrogate marketing rather will cooperate with the Central government and would comply to its all rules and regulations. All its products manufactured effective May 31 will carry a graphic health warning as proscribed by the Supreme Court, said Nina Kapoor, executive vice-president (marketing & corporate affairs), GPI.

Addressing a press conference in Chennai on Wednesday to announce its foray into the southern region through Tamil Nadu, she said: "We believe that the new markets such as West Bengal and Tamil Nadu will prove to be a success for GPI. We are taking on a dominant player in these region and we hope to garner sizeable chunk of the market share with our unique and special products." Despite government legislations and warnings against tobacco and related products, GPI has grown 3.5% during 2007-08 as against the industry's negative growth of 1.79%.

"We have grown our market share from 11.5% a few years ago to 12.5% and we hope to increase it to 20% in next three years," said Bhisham Wadhwa, executive vice-president (sales), GPI. According to him, the southern states hold immense potential. While Andhra Pradesh garners 14% of the overall industry, Tamil Nadu holds 10% market potential. Though GPI will be the late entrant into these markets, but the company hopes to make a strong foothold with wide distribution network, extensive coverage through number of retail outlets and brand building image.