

# Johnson & Johnson to make Benecol top brand

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LONDON, Nov 26 (Reuters) - U.S. group Johnson & Johnson <JNJ.N> on Wednesday unveiled its vision of turning a Finnish cholesterol cutting-product into a household name across the globe.

Benecol, which is produced by Finland's food and chemicals company Raisio Group <RAIVV.HE>, is targeted to become a top brand and boost people's health within three years.

"I truly believe Benecol has the opportunity to be one the great brands of the world," said Brian Perkins, president of McNeil Consumer Products.

McNeil, part of Johnson & Johnson, and Raisio earlier on Wednesday said they would expand a marketing deal agreed nearly five months ago.

Both parties said they signed a letter of intent to market Benecol worldwide instead of just the U.S., Canada and Mexico as agreed in July.

Raisio shares, which thundered 30 percent ahead in July, advanced another 7.5 percent on the new global marketing aspirations.

"It's a great opportunity to improve people's health across the world by preventing coronary heart disease," Perkins told a conference in London.

Margarine with the Benecol ingredient is already sold in Finland since 1995. But Johnson & Johnson and Raisio will also be looking for other, so-called "carrier" products to promote the ingredient.

"Benecol is much more than margarine: it's a system that will help you live longer and healthier lives," Perkins said.

He has already been approached by several food firms showing an interest in eventually making Benecol products such as for example yoghurt.

Benecol is scheduled to hit the U.S. market nationwide by late in 1998. An earlier plan for a more limited U.S. test market launch in April has been dropped.

Benecol should be widely available in Europe in 1999 while the introduction in Japan should follow shortly afterwards, Perkins said.

But Raisio warned that Benecol -- mainly made from pine trees -- won't come cheaply. Because of the limited supply of the raw materials it will neither come in mass volumes.

"You have to market the product at a high price multiple," said Raisio's executive vice-president Tor Bergman.

"We are not aiming at huge volumes or huge penetrations," he added.

Raisio's target is that about two to three percent of the world population will eventually use Benecol.

The product has already captured between 2.6 to three percent of the Finland's margarine market, Bergman said.

Raisio was close to signing a marketing deal with another company, but in the end decided to expand its co-operation with

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Johnson & Johnson because the Finnish company liked the strategy of promoting Benecol in a uniform way across the globe, Bergman said.

In Helsinki, shares in Raisio rose 42 markka to 621 in late afternoon trading.

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